University College London
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An Investigation on the Relationship Between Capitalism and Formation of Urban Injustices: The Case of Organised Food Retailers in Ankara

PhD Thesis

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I, Ahmet Burak Büyükcivelek confirm that the work presented in this thesis is my own. Where information has been derived from other sources, I confirm that this has been indicated in the thesis.'

ABSTRACT

The research examines whether organised food retail formats contribute to the formation of urban inequalities and if this is the case to see how this contribution is realised. Conventional approaches are found only to produce partial explanations and the research thus followed a Marxist methodology. With this comprehensive and also critical approach, it aims to first contextualise retail activities within the broader system of capitalist political economy and within the urbanisation process and investigates how inequalities are transferred between these systems. Initial researches suggested that the capitalist system, urbanisation process and retail production processes are tightly linked to each other. Further, inequalities created in the production processes are reflected in the urbanisation process.

The research focuses on some particular elements to empirically test the theoretical findings in the neo-liberal era. The case of organised food retailers is taken as an exemplar activity both representing the key aspects of the capitalist system and urbanisation process. The case of Ankara (Turkey) is chosen as the spatial focus. Ankara, in addition to being the second largest city in Turkey, carries the privilege of having the largest active retail area per capita in Turkey. Furthermore, as a result of its stable employment profile the city is not only attractive for financial institutions but for other investors as well. All these are among the factors which make the city of Ankara a very interesting place to analyse the dynamics of capitalist political economy, the development of organised food retail landscapes and injustices born with the interaction of these processes.

The empirical part of the research concentrates on spatial differentiations in Ankara's organised food retail pattern and to discover the underlying reasons. It focuses on the relationship between the observed organised food retail geography and socio-economic characteristics of the neighbourhoods. The findings reveal that retailers tend to locate at most advantageous locations, reinforce established socio-economic differentiations and thus consolidate urban injustices with their selective locational preferences.

Key words: urban inequalities, organised food retailing, retail planning, Marxist political economy, Ankara, Turkey.

In memory of Hasan Ali Yücel and İsmail Hakkı Tonguç,
two inspiring utopian realists..

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1. INTRODUCTION

1.1. The Research Context

We are no doubt living in a world with full of injustices and inequalities. Despite the ignorance of general public and mainstream academia, masses gather in search for justice, for their right to live and survive. Reactions take different motivations and different shapes all around the world. In New York and in London people protest government actions against credit crunch by occupying universities and squares. In Sao Paulo and Bogota people camp on the streets to protest governmental cuts from social expenditures like education and health services, or demand for better governmental subsidies for agriculture. In many cities of Turkey people are on the streets to protest a range of injustices from extensive privatisations to forest demolitions, from the violation of personal rights to lack of opportunities of political representation. These struggles can be followed through the objective media sources as well as through the products of some 'revolutionary' academic 'ghettos'.

Despite temporal and spatial differences and independent from level of development of countries, these events have something in common. They can all be considered as reactions developed against the unequal nature of the capitalist political economy. In other words, people protest different life conditions that are imposed by the capitalist system and that systematically favour the interest of some sections of the society against others.

1980's will always be remembered as the years when neo-liberal policies were born in developed countries and implemented throughout the capitalist world with the pressure of supra-national institutions and powerful corporations. Through the implication of these policies, market mechanisms penetrated at all aspects of daily life and ordinary humans in most countries were left defenceless against the "hidden hand" of big capitalists. Since that time, cities have become the places where the reflection of neoliberal policies can best be sensed in many parts of the world. Policies of liberalisation, privatisation and deregulation not only change the social relations between people but also affect the interaction between citizens and urban functions.

It is through the urbanisation process that neo-liberal policies and their negative consequences concretised and entered to our daily lives (Brenner and Theodore, 2002; Brenner, 2005; Peck and Theodore, 2012). From the provision of public services to the creation of open spaces, from privatisation of public space to the establishment of residential and commercial ghettos, urbanisation process plays an important role in the implementation of neo-liberal policies.

Departing from this contextual framework based on real life events and problems, the author produces the argument that there exists a dialectical relationship between different parts of the system. In this dialectical relationship parts of the system interact and transform. By transforming themselves, parts also cause to changes in the overall system. To make the argumentation clearer and also to initiate the research the author focuses on the capitalist system, urbanisation process under capitalism and urban activity patterns as part of the urbanisation process. Then, it is argued that,

- Urbanisation process is part of the capitalist system (totality), and reflects its negativities and contradictions at the same time. Transformation in the capitalist system can be sensed through urbanisation process while differential urban conditions lead to the differential implementation of capitalist practices.
- Urbanisation process is realised with the active participation of its components which are interrelated activity layers (parts) that makes the city (totality) when grouped together. Internal and external conditions causing to the changes in diverse activity layers inevitably transforms the urbanisation patterns while any change occurred at the urbanisation process affect its parts.
- Different activity layers (totality) are also composed of diverse urban elements (parts) constantly interacting and transforming. These urban elements are subject to change with respect to changing conditions at different layers and provide basis for change in activity layers. In return, any transformation occurred at the activity layer cause modifications on its sub parts at varying degrees.

To test the validity of these arguments the author determined an inductive approach starting from the most concrete and evolving towards the most abstract. With the aim to find an comprehensive approach combining capitalism, urbanisation and an urban activity, the retail sector is selected as the departure point. Besides its increasing social and economic connotations, the retail sector is thought to reflect the best capitalist ideology and on the side of urbanisation retailing is considered among the most important activities contributing to the initiation, development and transformation of cities.

1.2. The Research Gap

The author's aim in conducting the literature review part of the thesis was to find an adequate comprehensive approach locating retail practices at the centre of urbanisation and broader capitalist system practices. In the review theories concerning retail activity in different ways grouped into three categories.

In the first part, the theories analysing the retail development as a part of general urbanisation process are investigated. These theories are mostly developed prior to 1950's and utilised against the complexity of urbanisation process. They borrowed some analogies mainly from biology and physics, and abstracted urban realities into comprehensible sub-structures. Ecological theories of the Chicago School consider urbanism as a living organism and its sub-systems (retailing being part of it) as species struggling for limited resources. Normative spatial theories on the other side utilise physics based mathematical models like the Gravity Model to explain urban development and sprawl issues.

The second group of theories focus on the retail sector and its components. These theories approach to the retail development independent from urbanisation process. Within this second group, economic theories (Ricardo, 1817; Alonso, 1964; Garner, 1966) and theory of the firm focus on retail activity. While the economic theories concentrate more on the relationship between retailing and land economics; theory of the firm emphasises retailing's internal dynamics like locational strategies, organisational attitudes and marketing schemes. Regarding retailing's components; one group of research give special attention to demand side factors, to consumers and consumption practices. While behavioural approaches deal with the analysis of the consumer characteristics and their effect on consumption practices, with the rise of the 'cultural turn' some researchers start to investigate the changing role and meaning of consumption in our daily life. A second group within retail component researches focus on the commodity dimension of retailing and research the importance of commodity chains in the continuation of retail practices and the effect of commodity cycles that also affect retail activities through changing commodity consumption processes.

As a third group of researches, the author would like to investigate those theories relating retailing with political aspects and urban injustices. Although not directly related with retailing, being provided activities, the changing nature of collective consumption studies and negative consequences raised of the new provision patterns are examined in the first part of this section. With the same concern, urban infrastructure provision is investigated and different researches indicating unequal nature of urban infrastructure patterns are exposed. Both the third section, and the literature review chapter of the thesis is concluded with the researches on disadvantaged consumers and its spatial implication, food deserts which are both considered as the negative consequences of the modernisation of food retail sector. This final section is especially developed through diverse case studies to give evidence to one of the main assumptions of the thesis, which is the production of inequalities through retail development.

Faced with the partial merits of the approaches investigated at the literature review the author searched for a comprehensive approach not only welcoming the contribution of these approaches but also providing a comprehensive framework establishing meaningful links between retailing, urbanisation process and capitalism and touching upon the inequality creating potential within each system. Some theories were able to contextualise retailing within the broader system of urbanisation but failed to grasp the much broader mechanisms governing the urbanisation process by focusing on illusionary analogies. Some others, by realising detailed studies on retailing and its components, developed our understanding on the retail system but failed again to see the broader picture.

Considering inequalities, until the realisation of disadvantaged consumer and food desert studies, inequalities were considered as extraordinary situations distorting the equilibrium or balance of the system. Despite their significant contribution in giving material evidence for starting the PhD research, studies related to disadvantaged consumers and food deserts could not go beyond descriptive stance. As a result, these theories can be utilised as evidences of recent retail production trends realised under capitalist urbanisation process or their investigation methods can be operated to analyse different cases.

Faced with the reality that analysed approaches can only provide partial merits to the present research the author had to select an independent research methodology that carries the possibility to develop a comprehensive approach combining the individual merits of the previously mentioned approaches linking capitalism, urbanisation process and retailing. To realise this aim, the author decided to investigate the Marxist research methodology.

1.3. Research Methodology

Marxist approach has two philosophical pillars that make possible its application to practical cases. Primarily, Marxist approach is based on the premises of dialectical and historical materialistic principles. The method assumes that the interaction between humans and their environment is shaped and transformed on the basis of material relations. Marxist approach, instead of ignoring the existence of some other factors (like cultural, psychological, biological, familial, religious, etc.), prefers to interpret them from the perspective of materialism. In addition to this, the approach emphasises the importance of historical factors in the production of existing conditions and contributes to Marxism in the development of a comprehensive historical analysis. From this historical perspective the present has to be analysed with regard to the past. And, both the past and present events need to be utilised for the construction of the expected future.

Secondly, the philosophy of internal relations allows the Marxist approach to form a comprehensive approach bringing parts and totalities together through their interactions and transformations. In this view, parts of a totality interact with each other and cause changes. Further to this, parts also interact with the totality and at one side, transform the totality through their internal transformations or transformed by the totality through their external interactions with the totality. Based on these two theoretical pillars Marxist Method develops a systematic research approach to investigate complex social phenomena.

1.4. Determination of Research Extensions

Application of the Marxist research method on a case necessitates development of some research extensions (or research focuses) for the establishment of the research framework. With respect to this need of focus, the author determined four research extensions that have temporal, sectorial and spatial characteristics.

Firstly, the capitalist system is framed through a temporal extension. Capitalism's political economic aspect is represented with the particular shape that it took in the neo-liberal era which covers the period 1980's onwards. The era is considered to be particularly important as contemporary political economy is majorly grounded on neo-liberal policies that have also been changed and took different forms in the course of time. Secondly, the functioning of the capitalists system is framed with a sectorial emphasis by focusing on retailing (on food retailing particularly). With this emphasis capitalist motivation over different urban parts is tried to be concretised and exemplified. Retail sector is selected to be the sectorial focus as the activity thought to represent capitalistic motivations the best (Ducatel and Blomley,1990:207) by playing important roles both in the development of capitalist system and in the continuation of the urbanisation process.

As a third extension, considering the context dependent implications of capitalism, the Turkish case in general and Ankara case in particular, are selected as the spatial focuses of the research. In this research, it is believed that Turkey perfectly represents capitalist system's contradictions. Turkey, at one side, is considered as an exemplar developing country with remarkable macro-economic performance while on the other side, is characterised by increasing regional and urban inequalities, and growing reactions against unjust governmental practices. Within this context, the case of Ankara, being the second largest city in Turkey and being the most credible city by finance capital (due to its employment structure) is attracting both national and international investors seeking higher

returns in return to their investments. These special conditions make Ankara a very characteristic neo-liberal city reflecting both the dynamism and negativities of the neo-liberal system. Further to this, considering the retail development process, Ankara shows signs of peculiarity as the city has the highest active retail area per inhabitant share among all Turkish cities. Similar to Turkey, being a case in transition from pre-liberalism to neo-liberalism, the retail structure of the case of Ankara transforms as well. The modernisation of cities retail environment, as a part of general urbanisation process, carries the contradictions of capitalism in general and of neo-liberalism in detail. The shift from production to service activities and rising contrast between new patterns of conspicuous consumption at one side, and increasing and diversifying levels of injustices on the other illustrates the new urban condition that Ankara is facing.

1.5. Aims of the Thesis, Hypotheses and Research Questions

Based on the theoretical assumptions developed previously and staying within the limits of defined extensions, the author aims to;

- Explore the relationship between capitalism, urbanisation process and retail production processes at different dimensions (in theory, in Turkey and in Ankara).
- Reveal inequality[1] creating potential of capitalism, urbanisation process and retail production process on the basis of Turkey and Ankara cases.
- Explore main reasons of inequality by looking to case specific characteristics of Turkey and Ankara,
- Contribute to the Marxist theoretical discussion by adding an analytical dimension to dialectical analysis, by considering retailing as a reflection of capitalist motivations and by adding case specific peculiarities.
- Develop policy implications and suggestions that can be utilised as a tool in urban planning to diminish inequalities and to establish a much egalitarian urban life.

In conducting the research the author also examines the following hypothesises some of which are tested through theoretical investigations while some others are verified on the basis of empirical findings.

[1] The questions of inequality and injustices are very controversial. According to different political views these questions obtain different definitions. In Marxist point of view injustices constitutes the basis of social and economic structure. One group owns the means of production, controls the distribution and usage of limited sources, and exploits others labour to perform these actions. Another group occupies a contrasting position. This second group has no chance to obey to the former and earn wages to survive in the system. Social mobility among these groups (classes) can happen only momentarily while justice and equity can never be achieved as long as the capitalist system continues to define social and economic conditions.

Research hypothesises:

H1: **Capitalist system**, urbanisation process and retail production processes are tightly linked to each other.

H2: Capitalist system inherently produces inequalities.

H3: These inequalities are transmitted to urbanisation process which is the spatial implication of the capitalist system.

H4: **Neo-liberal era** can be considered as the latest era that reflects the characteristics of capitalist political economy in different forms depending on case specific conditions

H5: Turkish case reflects a peculiar form of capitalism in the neo-liberal era and carries capitalism's contradictions and crises within its development process.

H6: The city of Ankara can be considered as the concretisation ground of neo-liberal capitalistic practices and so as Turkey, carries capitalism's contradictions and crises within its urbanisation process.

H7: **Retail production process**, being part of the urbanisation process, creates new forms of inequalities and accentuates already existing unequal situations.

H8: Production process of modern retail facilities in Ankara can be considered as a part of the neo-liberal urbanisation process in Turkey.

H9: Locational preferences and strategies of modern retailers (organised food retailing in particular) in Ankara are based on the capitalistic logic of profit maximisation and thus produce and accentuate inequalities at the urban level.

To test those hypothesises the following research questions are developed:

General research questions:

Q1: How the capitalist system, urbanisation process and retail activities are linked to each other?

Q2: How inequalities are produced and transmitted between different facets of capitalism?

Q3: Can the locational preferences of retailers be seen as the outcomes of the market forces that are causing to the production of urban injustices?

The main research question leading to empirical research becomes;

Whether the production of organised food retail environments under capitalism produces (further) inequalities or not?
with sub questions;
q1: What is the current state of the organised food retail distribution in Ankara?
q2: Whether the observed retail structure is effected by the socio-economic characteristics of the population?

1.7. Structure of the Thesis

To test the mentioned hypothesises and to answer the research questions the thesis is organised on the basis of nine chapters. As argued from the beginning of the research; the capitalist system, urbanisation process under capitalism and retail production being part of the urbanisation process; cannot be separated and need to be considered comprehensively with respect to dialectical relationships unifying and transforming parts and the totality at the same time. To this end it is not possible to define which questions or hypothesises each chapter addresses. Rather than focusing on specific hypothesises and questions, chapters are organised deductively and developed from general/abstract to specific/concrete levels. Within this development pattern each chapter is composed of sub-parts that are also developed deductively from general/abstract to specific/concrete conditions.

Figure 1: General organisation schema of the thesis, development from general/abstract to specific/concrete levels

Following the introduction part the second chapter starts. The chapter deals with different approaches contributing to the conceptualisation of urban retail environments in the existing literature. Approaches are grouped into three categories. In the first group, theories conceptualising retailing as part of urbanisation processes are presented. The second group is composed of theories concentrating on retail activity and its components. The third group deals with the political aspects of retailing and exposes some literature about unjust provision of public services and retail practices. Despite partial contributions, the failure of these

approaches in providing a comprehensive framework that contextualise retailing within broader processes of urbanisation and capitalism, the author leans into the search for a methodological framework to test the mentioned hypothesises and posed questions.

The third chapter covers the determinants of the Marxist Methodology that are utilised to test the validity of research hypothesises. The chapter primarily presents the philosophical background of the Marxist approach through the exposition of dialectical and historical materialist approaches and philosophy of internal relations. After shedding light on the Marxist understanding of political economy, the chapter deals with the application of the Marxist approach to the case study. This part provides implication details of the philosophical basis on the concrete case of Ankara, Turkey and on organised food retailing as a sectoral dimension.

Based on the research path defined in the third chapter the fourth chapter aims to explore the capitalist system at the theoretical level, through the utilisation of different circuits of capital and their relationships. Capitalism's relationship with the urbanisation process is revealed through the circuits when spatial perspective is introduced to the capitalist system. At the end of the chapter, retail sector enters into the discussion. Through its spatialisation, the linkage of retailing with urbanisation process is explored while its position in the circuits of capital reveals retailing's connection with the broader capitalist system. The fourth chapter is terminated with locational aspects of retail development process and its consequent implications on the creation of inequalities.

The discussion on inequality that initiated at the end of the fourth chapter is further developed in the fifth chapter. The analysis of the capitalist system from the perspective of injustices necessitates the expansion of the research first towards the areas of consumption, re-production, social creation of needs and the issue of meeting the needs. After defining inequality as a condition of meeting the needs, the function of retail activities and the one of urbanisation are discussed. Throughout the discussions, the works of Marxist urban thinkers are exposed and their approach to capitalist urbanisation process and urban injustices are analysed.

With the sixth chapter the research enters to the case specific conditions. The chapter starts with the presentation of the historical development of Turkish political economic context which combines political and economic dimensions with urban development processes. In the second part of the chapter the characteristics of the neo-liberal era are presented with respect to different organisation levels attached to different spatial scales. In the final part,

with reference to this particular era of the capitalism, urbanisation process and retail development patterns (with demand and supply side dynamics) are analysed with the help of the peculiarities of the Turkish case. Consequent to all discussion, the chapter aims to provide a contextual framework to understand the case of Ankara and to shed light on the production process of organised food retailers in the city.

The seventh chapter focuses on the case of Ankara. In the initial part of the section Ankara's urban characteristics are analysed with reference to the neo-liberal condition shaping Turkish political economic context. In the second part, the author investigates the current retail structure of the city and analyses changes in the consumer and retail side dynamics with a historical look. The consumer side is examined with reference to consumer expenditure patterns and the change of these patterns over the course of time. The retail dynamics of Ankara are observed through the changes in the retail geography of the city which create a dual retail structure composed of traditional and organised retailers.

The eight chapter of the thesis is devoted to the statistical investigation on the case of Ankara and aimed to answer the main research question of the thesis, which is:

Whether the production of organised food retail environments under capitalism produces (further) inequalities or not?

The question is re-formulated within the chapter and turned out to be a research aiming the discovery of relationship between socio economic characteristics of the population and organised food retailers' distribution through the space. This re-formulation assumes that;

- Population differentiations on the basis of socio-economic characteristics are produced by the normal functioning of the capitalist system and its penetration on different activity patterns affecting income, education, civic and professional characteristics of the households.
- Organised food retailers follow the pattern of socio-economic differentiations and through locating themselves at the most advantageous locations, aggravate already existing inequalities.

The eighth chapter tests the validity of these assumptions and searches for an answer to the main research question in three steps. In the first step, the utilised data and research limitations are presented. Additionally, the inequality condition is re-defined for the coming

statistical assessments. In the second step of the statistical analysis, the present condition of the retail presence is analysed on the basis of some social, economic and physical indicators that characterise neighbourhoods. The third and final step of the eighth chapter involves the application of Geographically Weighted Regression (GWR) analysis on the case. The analysis involves statistical procedures covering descriptive statistics, global regression analysis, construction of neighbourhood indexes and production of the GWR model.

Chapter nine is the last chapter of the thesis. In this chapter the author makes an analysis of all chapters and re-constructs the relationship between each chapter as a part of theoretical and physical reconstruction. Under the guidance of the findings, the author produces retail planning policy implications and recommendations for further researches.

1.7. Findings and Contribution

At the end of the research it is revealed that neighbourhood groups, defined as most advantageous in terms of retail presence (having 9-11 organised food retailer inside their borders), are also the most advantageous ones when socio-economic and physical indicators are considered. Global correlation analysis reveals that among all indicators, ones corresponding to education levels effects the differential distribution of retailers the most while economic characteristics come second and followed by demographic characteristics. Interestingly, the effect of land prices on retail presence at the neighbourhoods is found to be the least significant. Statistical relationships are also backed with the spatial relationships that are revealed by geographically weighted regression analysis.

Another fact discovered during the research is that capitalist system transforms and takes different shapes when it penetrates into different contexts. While the system transforms itself through case specific realities it also causes changes on the condition of the cases. Through this interaction process, at one side, cases adopt directly some of the basic premises of capitalism (like profit maximisation, monopolisation, inequality production). On the other side, cases develop their own interpretations of capitalism (like the co-existence of modern-traditional food retail duality in Ankara). Within this research, the case of Ankara and its organised food retail structure are utilised to illustrate communalities and differences within the capitalist system.

With a special focus on urban inequalities, the author argues that in one way or another the capitalist system produces inequalities and urban activities functioning under this logic

inevitably contributes to this inequality creating process. Similar to the production of organised food retail functions in Ankara, the selective locational character of capitalistic activities can be applied to other sectors like manufacturing, textile retailing, shopping centre development or privatised education and health services. The point here is that in order to survive, these services need to follow the unjust socio-economic patterns that had already been created by the capitalist system.

Interestingly, in contrast to the severity of the situation and accumulation of different layers of injustices on urban land, it is almost impossible to depict any protest, controversy or resistance against the lived situation when the case of Ankara is considered. Not only for the case of Ankara but also for the case of Turkey, consumers always criticise increasing costs of living, traditional shopkeepers frequently complains about the development of shopping malls and uncontrolled expansion of organised formats of retailing. But these thoughts can never be transformed into a social reaction against policy makers in its more concrete form or against capitalism in a rather abstract sense[2]. To this end, the author would like to underline that the research departs from generally observed urban inequalities part of which produced by the locational choices of organised food retailers; rather than any social movement pointing the felt injustices.

Contributions of the research can be stated through two major headings: theoretical and practical contributions.

As part of the theoretical contributions the present research can be considered as an attempt to concretise abstract Marxist discourses with the construction of a suitable methodology for urban studies, application of this methodology to specific cases (sectoral case of organised food retailing and spatial case of Ankara) and finally utilisation of scientific methods (case study research, inferential statistics and geographically weighted regression analysis). Further to this, with the realisation of above mentioned attempts, the thesis aims to revitalise utilisation of Marxist approach within urban studies which has tended to disappear since 1970s.

In addition to its contribution to Marxist approach, the research intents to bring a positive effect to the urban retail studies by increasing individual benefit of rather isolated, incremental urban retail study approaches through the utilisation of a comprehensive and critical framework; encompassing capitalism, urbanisation process and retailing. With this

[2] Further discussions can be found at the conclusions chapter under the heading of empirical findings.

attempt, it is believed that undiscovered parts of urban retail system will be discovered and new intervention possibilities will be explored.

This bring us to the practical contributions of the thesis. As a research realised within the field of urban planning, the thesis concentrates on the role of the planning institution in the urbanisation process and more specifically in the production of urban retail environments. Furthermore, the author of the thesis believes that the planning institutions can be seen as one of the few institutions that carries the potential to act against the profit maximising logic of the markets and that can contribute to the "just" production of urban environments (including urban retail environments) with the purpose of decreasing urban inequalities. To this end, the thesis suggests the move from "trend planning" approach to just planning approach that includes concerns about meeting the needs, increasing accessibility, retail diversity, social and economic impact assessments, and city centre protection; when the case of retailing is put at the centre[3].

[3] These suggestions are further elaborated at the conclusion chapter under the heading of policy implications.

2. LITERATURE REVIEW

Retailing, as a part of general commercial activities, has long been a subject for geographical studies. The earliest theories considered retailing activity as an important element contributing to the location, growth and physical structure of settlements. Because of this role, retail studies were thought to represent key urban development processes. These early theories, which are discussed in detail in the following paragraphs, at first tried to describe the existing urban retail structures, then they tried to develop conceptual frameworks to explain the mechanisms creating observed structures. Due to their determination to use space as point of departure, these theories are thought to be spatially deterministic in nature. Although the use of space enabled considerable insights, this dependence also limited the explanatory capacity of these theories.

Within the general framework of this study this chapter is considered as an attempt to identify the most adequate tool for the discovery and analysis of the contemporary urban retail structures from the perspective of the relationship between capitalist system, retail provision and urban injustices. To this end, various theories are analysed and grouped according to the their main focus. The aim in this chapter is to asses theories of retail development with reference to four points which are:

- conceptualisation of the **capitalist system** within these theories,
- the way **urbanisation process** is explained,
- description of the **mechanisms and actors** producing retail geographies, and
- the way **urban injustices and inequalities** are handled.

As mentioned previously, analysed theories are grouped according to the emphasis they have. The chapter starts with theories focusing on the explanation of retail development process as a part of urbanisation. Ecological theories, normative spatial theories and more recent postmodern approaches are analysed within a first group. The second group of theories concentrate more on the retailing system and its components. While economic theories focus on the retail activity, behavioural approaches and consumption studies give emphasis on the consumption side. Always within the second group of theories, production and commodity chain studies are briefly discussed. The third and final group is devoted to the theories concentrating more on the political aspects of urban service provisions, urban injustices and food deserts. Each section is terminated with a critical summary and the chapter is concluded with a discussion about the relevance of the review for the thesis research.

2.1. Theories Focusing on the Urbanisation Process

Theories investigated under this heading depart from micro processes, like consumer-retailer or retailer-retailer interactions, explain the motivations behind these interactions and develop a logic (or model) to understand broader urban dynamics in a deductive way. As seen in central place theories these deductions sometimes reach beyond urban limits and become regional explanations. Ecological approaches utilise biology based explications whereas normative spatial theories are based on economic explanations. Despite their high level of abstraction, postmodern approaches develop a political economic understanding of urbanisation process and try to demonstrate the future of a capitalist city. All of the approaches considered deal with social and economic differences in the cities but their contribution is limited by their descriptive stance.

2.1.1. Ecological Theories

Ecology is defined as the study of the relationship of organisms or group of organisms to their environment and ecological method is used by geographers, biologists and sociologists (Dawson, 1980:118). Those ecological theories which try to understand the urban environment and the process of urbanisation date back to the establishment of the Chicago School (early 1920's). Robert Park was the leading figure of the Chicago School and other members adapted the "social Darwinist" ideas of Park in to their own spatial analyses. By employing "social Darwinism", Chicago School theorists consider urban dynamics as natural processes. In their conceptualisation, all urban functions are considered to be in competition for limited places. Those functions which are more powerful than others dominate the most desired environments. During this natural process, some functions tend to get together to share positive externalities created by others and each other. They benefit from symbiosis or mutual dependence created by other functions. As pointed out by Reissman (1964:99-101), urban ecologists also accept some biological notions like 'negotiation' with the environment, and search for an 'environmental balance'. These notions assume that there is a search for equilibrium between the environment and organisms; between the city and its functions. The severe competition for suitable land (or limited resources in general) is analysed from this starting point.

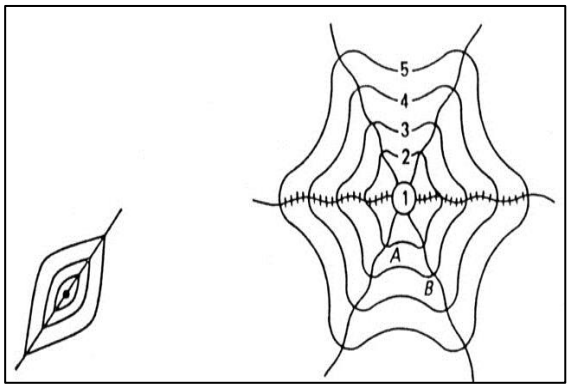
Unlike the concepts and assumptions borrowed from biological ecology, urban ecologists also use certain biological processes to 'explain' spatial dynamics. Concepts like 'centralisation', the grouping of activities, people or institutions around a pivotal point; 'decentralisation', the movement of activities, people or institutions out of a pivotal point (like

suburbanisation); ‘nucleation’, the spatial clustering of economic and other activities; ‘segregation’, the isolation of certain group of people and activities from the main population or activity pattern; and ‘invasion-succession’, the replacement of some activities or people with others; most of these were used to describe dynamics involved in urban processes.

Among the School members, it was Burgess (1925) who first developed a comprehensive theory of urban structure. It was known as *concentric zone theory*. For Burgess, population is the driving factor of changes in the city. With the increase in population, the city tends to grow outwards from the centre. This growth process, together with spatial competition, forces some commercial activities (less powerful ones) to follow the decentralised population, but also allows other activities (more powerful ones) to place themselves in and around the centre (invasion-succession).

Burgess’s model describes the locational changes in populations and activities according to the processes of centralisation and decentralisation. Although use of these processes led to the development of a new urban sociology (Flanagan, 1993), it failed to explain locational preferences of mixed activities. In the Burgess model, concentric zones consist of homogeneous land uses, whereas in the reality, any land use which is able to afford the costs would have the opportunity to enter more central zones and this process welcomes all (powerful enough) land uses to locate in zones instead of limiting them to a single use.

Various new theories tried to overcome the deficiencies of concentric zone theory. A year after Burgess, R. M. Haig (1926) developed his *theory of axial (or radial) development* (1926). Haig not only accepted the basic assumptions of Burgess’s theory but also contributed to its development by adding new dimensions. He considered land rents and transportation costs and called them frictional costs. Haig explained differential location decisions with reference to general motivation of minimising frictional costs by achieving an acceptable degree of accessibility. As a result of new inputs, the concentric representation of Burgess was distorted according to transportation systems and consequent land rent differentiations. With this contribution, struggle for most suitable lands started to include new variables that better reflected reality.



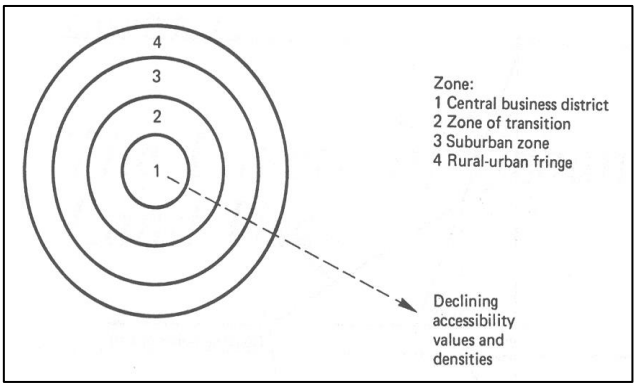
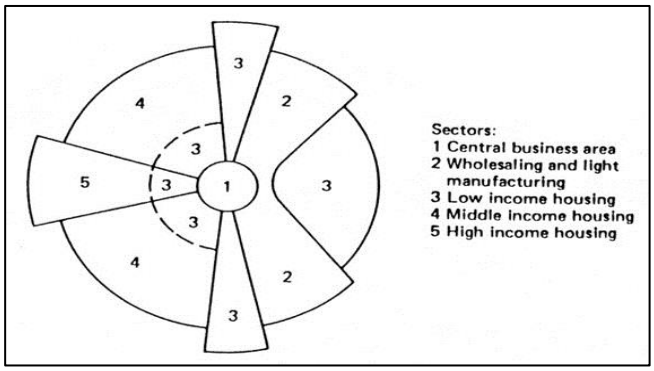


Figure 2: Concentric Zone Theory
Figure 3: Axial (or radial) Development Theory
(Source: Flanagan, 1993)

Three other theories were developed to understand better the internal structure of cities. Hoyt's *sector theory* (1933) is the first one of these. Hoyt suggested that the conceptualisation of cities as concentric zones hardly reflects the conditions of urban reality. He argued that different economic activities agglomerate (to benefit from mutual dependence) within unevenly shaped sectors. For Hoyt, many activities, especially manufacturing and retailing, have the tendency to move away from the centre and cluster inside the sectors expanding outwards along the main transportation lines. Hoyt's representation modified previous ones by allowing sectoral transitions and assuming that transportation and interdependency between functions may dissolve concentric hierarchies. Although this attempt developed the theory a step further it failed to take into account dispersed (decentralised) urban patterns which were starting at that time and became a very characteristic feature of post-war Western cities (Flanagan, 1993).

The second conceptualisation, known as *multiple nuclei theory* was introduced by Harris and Ullman in 1945. In their proposition, the idea of an ordered urban internal structure was replaced by an urban pattern made up of nested functions. As with Hoyt's agglomeration theory, Harris and Ullman suggested that similar functions which have similar spatial needs tend to cluster in specialised districts and form mini-centres inside larger zones. Formation of different centres, disconnected from the CBD, also changed the form of the city, creating a sort of asymmetric sprawl around these mini-centres. The reasons for the development of multi-centred city model were four-fold and explained with reference to: i) particular spatial demands of specialised activities; ii) agglomeration of activities which profit from cohesions; iii) spatial segregation among activities; and iv) succession of activities which cannot afford rents.



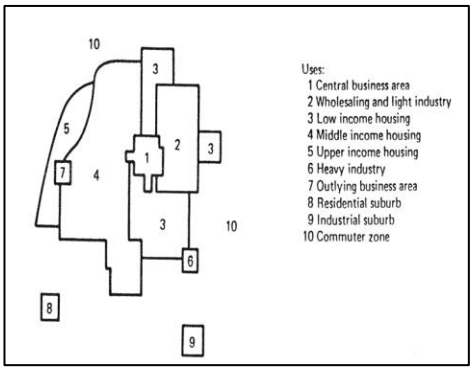


Figure 4: Sector Theory
Figure 5: Multiple Nuclei Theory
(Source: Flanagan, 1993)

A third conceptualisation attempt was realised by Mann in 1965. His observations on 'typical' British cities led him to combine sector and concentric zone theories and develop *sector-zone theory*. Additionally, he adapted the existence of suburban developments which had first appeared in multiple nuclei theory. Mann also contributed to the understanding of the interrelationship between some negative externalities and social structuring of the city. As an example, he mentioned the effect of the prevailing wind from the west transporting the industrial pollution towards east and causing the development of higher-income housing to the west and low-income housing to the east in typical British cities.

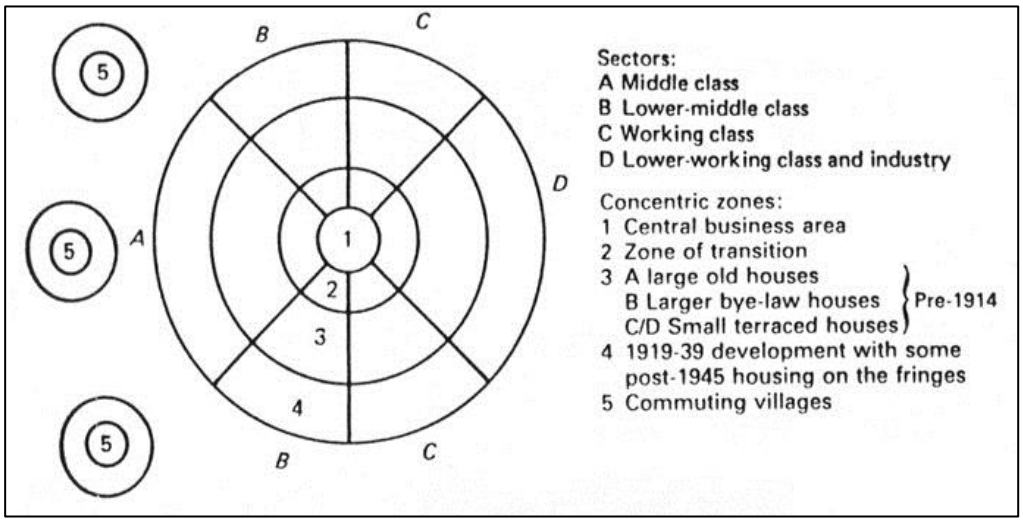


Figure 6: Sector-Zone Theory
(Source: Flanagan, 1993)

Chicago School theorists aimed to bring universal explanations to intra urban structures. Because of this tendency, they used high levels of abstraction and emphasised the explanation of the locational preferences of broader land uses without giving special attention to intra-sectoral formations. As a result, diversified patterns of specific activities within broader sectors stayed unexplained. Furthermore, ecological theories gave particular emphasis to housing as a result of people's special interest in sociological issues and ignored other activities. Levent (2007:25), illustrating the case of central business districts

(CBD) functions underlines that theories which originated in the Chicago School avoid explaining the internal structure of the CBDs, although the CBD plays both a vital and determining role in the positioning of other functions. Similarly to the CBD, commercial activities including retailing suffer from limited ecological explanations.

According to Gottdiener et al. (2000:110), while European thinkers such as Weber, Marx and Simmel viewed urban environment as a consequence of larger forces of capitalism, Chicago School theorists preferred biology-based conceptualisations and analogies to explain urban life. They made use of the ecological approach to explain how social events are placed in urban space and to understand the contribution of space to the formation of behaviours, experiences and social organisations. Within this framework, economic competition emphasised by other researchers is considered just a special case within the broader process of struggle for survival by Chicago School theorists.

Despite the decline of the Chicago School, ecological analogies have been applied to the field of retail geography since the mid-1960's. Business types are equated to species, the form of business conformation is likened to biological organisation (Simmons, 1965), while the overall retail structure is likened to the natural environment. The location of populations, workplaces and transportation infrastructure are considered to be the environmental factors. Within this ecological framework, dominant species represent the higher order business types within any locality. Supermarkets dominate an environment while hypermarkets dominate a larger area. Organisational changes within retail firms (e.g. the development of self-service techniques) are considered adaptations and innovations that are developed to overcome the disturbances of the environment. This aspect of 'adaptation' lies at the core of the theory of natural selection as those firms who cannot adapt, fail to survive and disappear from the environment. 'Mutualism' offers another opportunity to retail establishments to survive by allowing them to position themselves in proximity to other retailers sharing similar qualities and image. Similarly to mutualism, retail facilities may obtain parasitic or 'symbiotic locations' around single large stores and benefit from its positive externalities. The dynamic nature of ecological approaches which is well represented with diverse ecological concepts matches with the dynamic nature of the retail sector and makes retailing one of the most productive areas for ecological studies (Dawson, 1980:120).

In Social Justice and the City, Harvey (1973:131-2) begins his fruitful critique by addressing ecological theories due to their ignorance of social and economic relationships. Although this critique targeted ecological approaches one needs to ask if other approaches do not suffer from the same deficiency of neglecting of socio-economic dynamics. Mainstream economic

theories explain the existing situation in economic terms. Despite their ability to represent complicated mechanisms, they do not normally intend to combine social problems caused by economic considerations. Faced with the problem of inequality occurring as a result of economic mechanisms and considering the contributions and limitations of economic conceptualisations, it becomes possible to benefit from the 'mechanisms' described above only by searching for 'counter mechanisms' that can prevent the formation of observed unequal environments (ibid,137).

2.1.2. Normative Spatial Theories: Central Place Theory (CPT) and Spatial Interaction Models (SIMs)

Central place theory (CPT) has always been one of the most extensively used theories in the field of economic geography and planning. As classically developed by Christaller in 1933, the theory aims to describe and analyse the size, number and distribution of towns as service centres. Apart from accepting the assumptions of neo-classical economics, central place theory assumes that:

- A threshold of demand exists below which a good cannot be economically offered for sale. So, in order to support each good a minimum population is required.
- The size of population (or trade area) thus depends on the type of good.
- Centres are hierarchically classified according to type of good offered at the centre or according to the size of trade area.
- Higher ranked centres also contain the goods offered by lower order centres.
- Free entry of business produces a contraction of trade areas.

The basis of Christaller's representation is that utilisation of highest order goods derive a set of locations and hexagonal market areas covering the territory (which is assumed to be a plain). Berry argues that the realisation of such a pattern requires a long-run optimum which provides the maximum number of stores with minimum size of market areas (Berry, 1967:64). After the establishment of the market areas for higher order goods, services providing lower order goods take their places according to geometrical principles meeting the maximum distance from the higher centres without leaving empty spaces in the geography. The pattern based on hexagons develops under this logic. This geometrical formation is considered to be the result of rational consumer behaviour that requires the evaluation of alternatives and selection of cheapest alternatives.

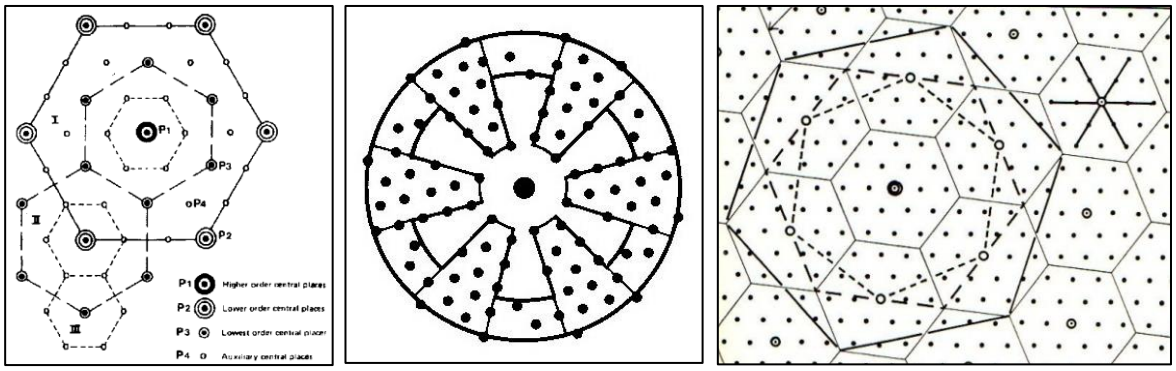


Figure 7: Christaller's system with four centres
Figure 8: A Complete set of Löschian sectors
Figure 9: Three smallest market area sizes in Lösch's system
(Sources: Berry, 1967)

Lösch looked at the central place theory from a different perspective and contributed to its development a few decades after Christaller. Unlike Christaller, Lösch departed from locating lowest order goods and derived a triangular-hexagonal arrangement of centres and market areas. The resulting landscape becomes a hexagon divided by six 60 degree sectors radiating from the centre. Comparing these two models, Berry concludes that Christaller's formulation appears especially relevant for understanding the geography of retail and service business while Lösch's formulation is better for explaining the spatial distribution of market-oriented manufacturing (Berry, 1967:73).

Although many studies showed the hierarchical distribution of centres, some researchers claimed that extraneous influences of the real world would distort the hierarchical structure (Lösch, 1967[1954]; Scott, 1970). Consequently, it was argued that rents, external economies of scale together with social and political factors, and the internal structure of shops may have effects on the spatial distribution of economic activities and cause deviations in the hierarchical pattern. Szumeluk (1968) suggested that the CPT has to be considered as an outcome of a series of solutions derived from consumer behaviour and decision making processes. The main assumption of the theory is that consumers tend to choose the closest centre under least effort principles. But with increased mobility and more information about their environment, consumers are freed from constrained behaviour patterns and able to develop more sophisticated shopping patterns. Further additions come from Garner (1966) and Guy (1976). Garner reported that the city of Chicago has more than one hierarchy of nucleated business centres while Guy found that intermittent ribbons and isolated corner shops do not fit into the hierarchical pattern of urban commercial structure. In brief, despite their accuracy in explaining regional distribution of services, CPTs are thought to be limited in contributing to our understanding of intra-urban activity patterns.

Central place models were further developed by, on the one hand, the contribution of researchers like Berry (1967), Holton (1957), Thompson (1969) who were able to include unconsidered elements mentioned above with the help of technological advances and increased data availability; and on the other hand, through the works of Huff (1963) and Wilson (1977), interpreting CPTs within probabilistic framework and finding common grounds between CPTs and spatial interaction models.

Today, in the field of retail and economic geography central place theories is very limited as the static models can hardly predict or describe very dynamic structure of economic activities, especially the retailing. Recent applications of central place theory reveal some attempts to break rigidities of the model. Instead of relying on nominal measures (like population or type of good) for the construction of hierarchies Dennis et al. (2002) base their research on the index of attractiveness. The index developed with the help of questionnaire surveys are posed to consumers and involve questions about their shopping places. These questions contain qualitative assessments like store quality, cleanness, toilet availability, satisfactions and dissatisfactions. Success of attractiveness index (attractive shopping centres attract successful retailers and customers) together with overlapping of catchment area boundaries are the contribution of their research to the CPTs. In another research, Daniels (2007) tries to adapt CPT to tourism planning in order to predict the type of location that stands to benefit from sport tourism development. To evaluate activities' performance she defines the "threshold" as the minimum amount of consumption demand to guarantee the functioning of a particular god or service and "range" as the maximum distance a consumer willing to travel to obtain a particular service. Similar to Dennis et al (2002), Daniels utilises survey questionnaires to understand expenditure patterns of consumers at particular places and for particular goods. In the end of her research, Daniels concludes that smaller places although they hold majority of events benefit less from consumer expenditures while larger places profit much more.

Spatial interaction models (SIMs) are distinct from other location theories being mathematical developments to calculate the commercial attraction of two activities with respect to visiting populations and the distance between them. The concept of spatial interaction was first adapted from Newton's gravity model to the field of spatial science by Reilly in 1931. Since then it has been subjected to many modifications as a marketing and planning tool. SIMs, in their most basic form, assume that the trade relationship between two spaces (cities, areas, or shopping centres) is considered to be in direct proportion with populations they have (cover, serve, or attract) and in inverse proportion with the square of the distance between them. This simple analogue model further matured through the entry of multiple centres,

probabilistic calculus related to centres and consumers, differentiated population groups and other measures of attraction like floorspace and turnover.

Recent developments in computer technologies together with the availability of data on urbanisation and retail development processes are observed under the complexity theory. This field of study not only offers new insights to researchers but also combines CPT with SIMs. According to Batty (2007) the departing point of complexity theory is that the city is a very complex and dynamic process, and instead of top-down regulating principles one needs to start understanding the city from the bottom, from the micro organisations making the city. So, these "'self-organising systems' construct the city which is a self-organising system as well. Complexity theorists, as did CPT and SIM theorists, investigate the rules guiding this organisation and try to find out the guiding patterns within each organisation and thus become able to predict the future of the system. Utilisation of populations, store numbers, distances and relative attractivity indexes produces non Euclidian geometries which are non-linear and multi scalar in character (ibid: 58). Urban entities' dynamic and dependent nature analysed through fractals, models of cellular automata and agent based models. Batty describes cellular automata as:

> "computable objects existing in time and space whose characteristics, usually called states, change discretely and uniformly as a function of the states of neighbouring objects, those that are in the immediate vicinity. The objects are usually conceived as occupying spaces that are called cells, with processes for changing the state of each cell through time and space usually articulated as simple rules that control the influence of the neighbourhood on each cell." (ibid: p:67)

Tannier and Pumain (2005) focusing more on the utilisation of fractals for the analysis of the evolution of urban systems, distribution of activities, at different scales indicate that the fractals have the ability to simulate urbanisation dynamics as they produce "alternate patterns of continuity and fragmentation at the same time" (ibid: 2). Similar to CPTs fractal structures are also characterised by the repetition of the same distribution principle of elements at a multitude of scales and develop on the basis of principles like changes in the land prices and accessibility (ibid:page6). Referring to the utilisation of fractals in practice, in the field of planning, Tannier and Pumain (2005) suggest that fractals (like other self-organisation models) can be used to solve optimisation problems related to the accessibility of different populations to central activities. In an earlier research again departed from the complexity theory, Salingaros (1998) develops his theory of 'urban web' based on rules derived from connectivity principles, pattern recognition and artificial intelligence. Nodes,

connections and hierarchy are the basic components of Salingaros' urban web idea. He argues that;

> "We come to a crucial observation from complex systems: hierarchical organization requires that components of different sizes fit properly into the whole. The pieces of the urban web are simple, and they interact in a simple manner; yet their union is highly complex." (ibid:68)

By conceptualising the urbanisation as such, Salingaros intends to produce planning considerations out of some mathematical principles. According to him: "connections will occur only between contrasting or complementary nodes" (ibid:61), "pedestrians require a certain limited range of scales, outside which they cannot function (ibid:63), and based on the initial works of Batty and Longley (1994), Salingaros claims that "if one looks at a successful city from the air, the picture is obviously fractal". Salingaros considers successful cities as those cities having best connection patterns. These promises based on distance, function and connectivity are all showing signs of some older works on CPT or SIMs and illustrates the current development and evolution level of these initial works.

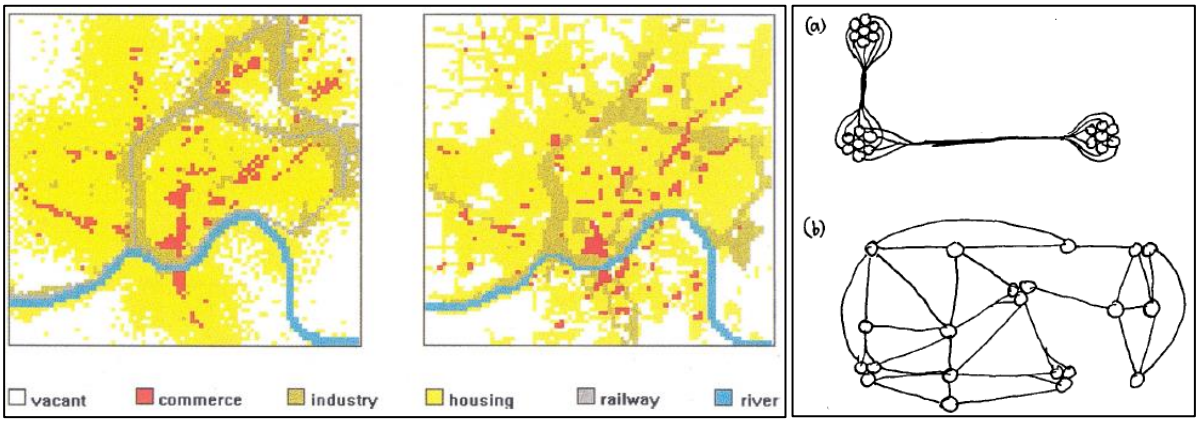


Figure 10: Simulation of Cincinnati (left) and actual land use (simplified), 1960 (right); the road system used in the simulations not shown. (White: 1998, 117)
Figure 11: Connections between the nodes of the urban web: (a) over-concentration creates a singularity and exceeds the channel's carrying capacity; (b) the same number of nodes better distributed. (Salingaros: 1998,57)

Criticisms related other than the hierarchical description of the activity patterns can be grouped into three categories. Firstly, the CPT is faced with the criticisms which are also directed to the assumptions of neo-classical economics. The 'optimising man' concept is at the centre of these discussions. Kivell and Shaw (1980:112) argue that the acceptance of the optimising man concept made the theory suffer from unrealistic assumptions about retailers' and consumers' behaviours in time and space as they do not always behave at an optimum level. This deficiency gives way to the development of probabilistic models which offer more

elasticity in decisions. Furthermore, within the theory's framework, it is assumed that market forces are the only factors regulating the economic geography. But in reality, the existence of some institutions (like urban planning) and other sectoral markets (like property market) differentiates the reality from the theory.

Secondly, CPT was criticised because of its other assumptions related to the conceptualisation of space and economic sectors. Although the acceptance of isotropic surface and single good assumptions contributed to the understanding of the general structure, they also limited the applicability of the theory to the reality. At one side, geographical differentiations together with differential infrastructure provision suppress the isotropy of the space. On the other side, existence of other goods in the market further moves away the theory from the actual situations. From the point of stores, Thompson (1969) points out that stores are not only differentiated according to their location but also with reference to price and quality of products together with their image. Finally, Berry (1960) reported that in some cases commercial services tended to cluster out of central place hierarchy as a result of the random shopping processes called 'shopping around' or due to the benefits related to agglomeration economies as mentioned before.

Finally, central place theory is criticised as it does not take into account external factors which affect the commercial and service structure of cities. Historical and cultural factors which may cause variations in the distribution of economic activities in different cities were not considered in CPTs. Moreover the environment is thought to be free from regulations and constraints. Institutions like urban planning which have direct influence on urban space are excluded from considerations. Borchert (1998) reports that changes in the planning system, together with social and economic transformations (like increases in car ownership) distort the fixed hierarchical system and cause the elimination of lower level centres.

Recent developments illustrate the fact that consumers' motivation for shopping cannot be reduced to a function of time. As Guy (1998) indicates, consumers can go to distant places for various reasons and do not necessarily prefer to do shopping at the nearest centre. He points out that people tend to do more and more multiple trips for multiple goods beyond mere convenience shopping. Comparison shopping, recreational or leisure shopping trips are just some examples on diversified shopping motivations.

On the side of SIMs, Jensen-Butler (1972) claims that although interaction models attempted to be related to social physics and economic principles (like utility maximisation) they failed to have a theoretical basis. He also adds that spatial interaction models reflect the interests of

the firm although they have the potential to be utilised to enhance consumption practices on the supply side, especially on the side of disadvantaged consumers. Based on this same criticism, Coelho and Wilson (1976) claim that SIMs should be accepted as 'allocational' in nature rather than 'locational' as they aim first the allocation of firms at the most advantageous locations. Another stream of critics focused on models' static character. Because SIMs are based on parameters obtained from existing situations they become dysfunctional in the face of changing conditions. Their inadaptability to changing conditions makes them vulnerable in medium and long term estimations. Based on these criticisms, it is possible to claim that spatial interaction models could offer neither a comprehensive analysis tool nor bring explanation to urban processes.

When complex systems theories are considered their departure point was the limitations of the SIMs and other locational models based on rigidity of models and their linear logic. Despite complicated techniques utilised in more recent models(like fractal geometries or cellular automata simulations) other kind of rigidities appear as a result of development of models which can never meet the complexity of the real life. These models construct the future based on some initial assumptions helping to the formation of models, but changes in actual conditions cannot take place in the models. To illustrate, although regional shopping malls and local retail businesses are in close relationship, complex systems approaches hardly encompass both cases in one model.

2.1.3. Postmodern Approaches

Dear and Flusty (1998:50), referring to Derrida and Mills, argue that we are now living in a world whose social, economic, cultural and political conditions are totally different from what is called 'modern age'. Considering these changes, they conclude that our conceptualisation of the city should change accordingly. Postmodern approaches suggest that it is time to quit traditional, rational and deterministic explanations of urban structure which can be traced to "factorial ecologies of intra-urban structure, land-rent models, studies on urban economies and diseconomies of scale, and designs for ideal cities and neighbourhoods" (ibid:51), and establish a new (postmodern) urbanism based on centreless urban form shaped by global-local links, social polarisation and re-territorialisation.

Postmodern approaches are similar to the Chicago School studies in two ways. Both approaches base their ideas on the fact that cities are experiencing major social, economic and cultural transformations. This was the transition to the modern era for the Chicago school, and a shift from modern to postmodern for postmodern urban theorists. Furthermore,

both approaches depart from the changes observed from specific cities. The city of Chicago was thought to display defining features of the modern era, while Los Angeles gave the opportunity to experience those of postmodernity. These features, as summarised by Dear and Flusty (1998), are described below.

Firstly, a dense network of telecommunication and transportation enables the city to use global information for the benefit of localities with high efficiency. Secondly, the dominant mode of production for the city is post-Fordist and based on flexibility. Thirdly, although the city is composed of different cultural groups, a new urban culture based on consumption characterises its inhabitants (commodified communities). As the role of capitalist structures increases in favour of big business, the gap between rich and poor will widen much more than ever and create a bipolar society. In terms of the physical appearance of the city, eclectic architecture is considered to be the dominant architectural form. Within the conceptualisation of a postmodern city, it is assumed to be governed by 'polyanarchy' which is described as a pathological form of anarchy. The system is also thought to be disempowering to those who would challenge the controlling beneficiaries of the new world of "bipolar disorder" (ibid:64).

In relation to the distribution of intra-urban retail activity, Dear and Flusty (1998) provide two abstract concepts, ”Flexism” and ”Keno Capitalism” that could lead to the emergence of abstract conclusions. ”Flexism” is described as: “a pattern of 'econo-cultural' production and consumption characterised by near-instantaneous delivery and rapid redirectability of resource flows” (ibid:61). Under “flexism”, globally floating abstract ideas can easily be grounded and concretised with the help of an advanced infrastructure network. Additionally, what was once concretised may soon be abstracted and float away in search of another locality. The volatile character of capital and commodities is due to global forces which have superiority over local ones. All investment and disinvestment decisions are taken at the global level and global decisions shape the social, cultural and economic landscapes of localities.

'Keno capitalism' is the second term used by Dear and Flusty (ibid.) to describe the locational logic of land-uses at the urban level. On the basis of advanced telecommunication and transportation technologies, it is argued that the comparative advantage of places within urban areas has disappeared. Homogenisation of people and cities at the global level has solidified with the homogenisation of urban landscapes. Firms (or functions) taking locational decisions, do not need to take into account different features of localities as each locality has become a featureless landscape. Furthermore, as firms are globally connected, the

importance of agglomeration economies or economies of scale has disappeared and firms become independent of other land uses. Authors describe the process as follows: “In the absence of conventional communication and transportation imperatives mandating propinquity, the once-standard Chicago School logic has given way to a seemingly haphazard juxtaposition of land uses scattered over the landscape” (ibid,62). As a result, location decision of land uses is accepted as a very random and indefinable procedure that is hard to comprehend with the help of existing concepts and knowledge.

Figure 12: Keno Capitalism, a locational model for postmodern urban structure (Source: Dear and Flusty,1998)

The city is conceptualised as an absolute grid made up of a ”disinformation super highway” which enables the unhindered and instantaneous flow of commodities and information. Within this grid, land uses set down randomly and form random patterns of land uses. The process causing this formation identifies which city will attain a successful pattern of land uses which brings wealth, although cities have no chances to affect these processes. As the development of one parcel has no influence on others, the outcome would be a “non-contiguous collage of parcelled, consumption oriented landscapes” (ibid:63-6).

There are numerous criticisms directed towards this new conceptualisation of urban space under postmodernism. Sui (1999) points out that ideas posed by Dear and Flusty are generally contradictory, problematic, and based on dubious and mostly unnecessary assumptions. Furthermore, he claims that instead of bringing any clarification, arguments on postmodern urbanism create ambiguities on our understanding of cities. Later in his article,

Sui questions the general literature on postmodern urban geography and criticises the dependency on social factors.

> “Most of the postmodernists' writings are largely wrong (although sometimes for the right reasons); most frequently, we cannot even tell whether they are right or wrong since we are told that everything is socially constructed.” (Sui, 1999:409)

Rather than focusing on criticisms based on ethical, linguistic and epistemological issues, the author would like to focus on the limitation of the postmodern urbanism approach with a special emphasis on the retail and commercial geography of cities. Similar to the assumptions developed for other theories, the ones that postmodern urban theory is based on produce limitations on the compatibility of the approach with the reality. The pillars of postmodern urban theory are also its weak points. These limitations include: the establishment of perfect information and commodity channels within cities and even throughout the earth; an attachment of all economic activities to this network; and the homogenisation and standardisation of cultures under “postmodern consumption culture”. Neither at the global nor at the urban level, is it easy to find any clues of the actualisation of these assumptions.

Another criticism of the reductionist aspect of the theory is its approach towards space and distances. Despite the technological advances in information and telecommunication systems and its positive effect on a globalised network, at the local level goods, information and humans are carried through transportation networks. The conceptualisation of cities without the effect of transportation requires further assumptions putting additional obstacles for linking the theory with reality.

In relation to the above mentioned criticism, the assumption related to the parcellation of urban land into undifferentiated grids creates another contrasting point between theory and reality. Even if all other factors (such as the equal provision of infrastructures) are provided equally to each plot, due to differential advantages of accessibility, plots would soon differentiate from each other and would start to accommodate differential populations and activities. In a city which is divided up into different land use and population profiles, it is not possible to talk about undifferentiated plots. Established social and cultural patterns, together with flourishing land uses, will differentiate some plots from others and affect the location of investments. From the users’ point of view, to accept the undifferentiated plots assumption we need to further assume that adjacent land uses have neither positive nor negative effects. Such secondary assumptions together with primary ones move us further away from reality

and force us to turn back on an absolute understanding of space although the intention of postmodern school is the reverse.

The assumption related to domination of specific urban conditions by the imperatives of postmodern culture is also open to criticism. Although it is possible to talk about structural changes affecting the social, economic and cultural life of cities which are connected via global networks, different physical, historical and cultural backgrounds cause deviations in the development of different cities. Furthermore, as mentioned by Harvey (1973), different social groups have different capacities for internalising such transformations. From this perspective, it would be accurate to accept such transformations as processes rather than specific moments in time and instead of showing the Los Angeles city as a model, it would be better to accept differential urban dynamics transforming each city in a more-or-less different way.

When we think about the nature of retailing in postmodern cities, in addition to the concepts of 'flexism' and 'keno capitalism', the Los Angeles School assumes that all trade activities will be realised through commodity and information super highways which diffuse into residences. Despite the acknowledgement of the importance of consumption in social and cultural life of postmodern cities, this purely materialistic approach to consumption of goods is criticised by both cultural geographers as well as Marxist theorists. Both of these consider consumption to be an activity which has social, cultural and psychological dimensions (Bocock, 1993; Preteceille and Terrail, 1985). For these reasons, it is hard to conceptualise an urban environment where all commercial activities are reduced to the door-to-door delivery of commodities.

To conclude this section, it is possible to claim that the success and failure of postmodern approaches in explaining urban conditions does not depend on the ways they describe the postmodern city but on the capacities of accepting their assumptions. At the final stake, the question to be asked would not be whether the postmodern city may resemble the description of Dear and Flusty, but up to which point can we accept their assumptions.

2.2. Theories Focusing on Retailing and Its Components

The rigidity and comprehensiveness of the previously mentioned theories led to the development of more specialised focused theories aiming to understand retail system, its components and their spatial patterns. The section begins with approaches focusing on the retail practices. Economic theories seek to explain how firms of different types locate

themselves at diverse parts of the city, and the theory of the firm reveals internal dynamics and motivations of the firms. The second part starts with studies about consumers. Earlier approaches describing behavioural patterns of consumers are followed with more socio-psychological studies of the much recent cultural turnabout consumers and the consumption practices. The studies about the functions linking production and consumption, the commodity chains come afterwards. The section terminates with a discussion of the production process. Considering the theories' contribution to our approach to urbanisation processes under capitalism and urban injustices, it can be said that the theories covered within this section have more of an 'introvert' focus on specific activities. While the context (of capitalist system) is utilised as a default background the question of inequalities is generally ignored with one exception. Consumption studies, as they focus on consumers, establish the basis for the studies on disadvantaged consumers and food deserts that will be investigated in the later sections.

Apart from economic theories all other approaches in this section are part of the 'cultural turn' studies. The discovery of the richness of cultural studies which helped to explain local phenomena gave force to the development of the cultural turn within social sciences. Specific or local knowledge, which had once disappeared into general theories aiming to bring universal explanations, was 're-discovered' with this change of focus within social-scientific research. As a part of the general research agenda, retail geography and retailing studies started to be considered one of the most suitable fields reflecting cultural differences. Crang (1997), for example, emphasised the importance of retailing by putting the spaces, places and practices of consumption, circulation and exchange at the very heart of this reconstructed economic geography. As a result of this focus on retailing, hidden aspects of it started to be discovered.

Within this new era, the focus moved from an analysis which put location at the centre of its method, to factors affecting all actors participating in the retailing system. Contrary to the spatial deterministic nature of the previous approaches which take space as the starting point of their analysis, the cultural turn emphasises the importance of the internal dynamics of actors. Space is not conceptualised as the determinant factor for the actors but is seen as the outcome or manifestation of actors' internal dynamics and their interaction. To focus on these different elements, the system is deconstructed into its parts and production, supply chains, retailing and consumption practices analysed individually.

Despite the deconstruction of the system and identification of different actors and activities forming it, contemporary studies focus on consumption practices, as a consequence of the

shift from the society of producers to the society of consumers (Bauman, 2007:7-8). Research carried out on other functions is generally realised in accordance with consumption activity. Despite each function being needed for the continuity of the system, the more we move away from consumption the less emphasis is given to other functions. As a result, retailing gains specific importance both due to its direct relation with consumption and as a consequence of its frequent economic domination over manufacturing and supply functions.

2.2.1. Retailing Based Approaches

2.2.1.1. Economic Theories

The introduction of space into economics dates back to the works of classical economists. Space, concretised as land, is considered one of the three factors of production together with capital and labour. The income obtained from the ownership and control of land gave rise to the development of land rent studies. In one of the first theorisations, Ricardo classified (agricultural) lands in terms of their productivity and claimed that rent is obtained through the differences of production when equal quantities of capital and labour are employed. Around the same period – the beginning of 1800's – Von Thünen added the effect of transportation costs to Ricardo's conceptualization and became able to develop a more comprehensive land rent theory, always based on agricultural lands.

Following the classical economic stream, in 1960, based on the works of Von Thünen, Alonso developed his *bid-rent function theory* as a model of urban land use distribution based on land rents. He considered urban land uses, their intensity, population distribution and employment as a function of distance to the most accessible place, i.e. to the city centre. The theory suggests that the location of different activities depends upon competitive bidding for specific sites and firms make their biddings by considering their anticipated future returns and accessibility conditions to the sites. Consequently, the core becomes the focal point of all activities but not all activities could afford land values at that place. Arrangement of land use patterns tend to move towards an equilibrium where "output is optimal and the maximum efficiency of the city as a productive unit is realised" (Seyfried, 1963)[4].

[4] Although the work of Alonso and his followers are based on bids for lands in different uses, the author preferred to discuss the theory here because these theories have been particularly influential in the literature on the spatial structure of retailing.

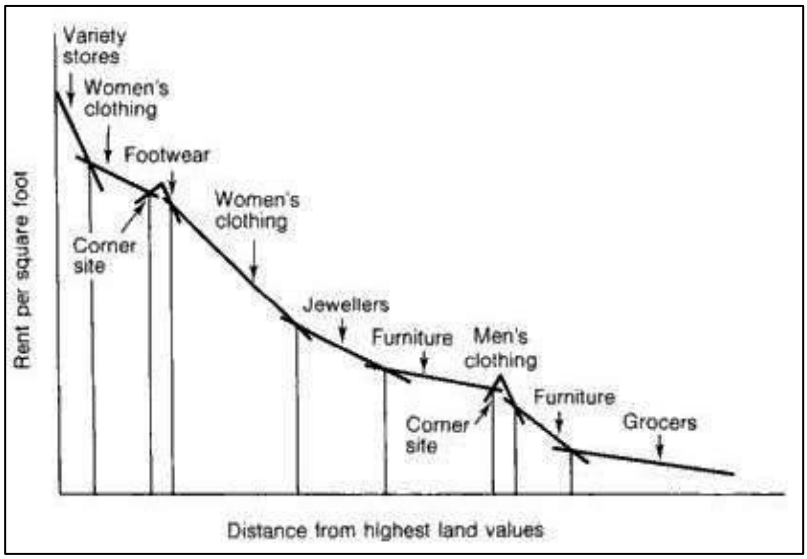


Figure 13: Hypothetical rent gradient in an unplanned shopping area (Source: Dawson, 1980)

One of the most interesting works, using bid rent curves, is that of Garner (1966). He classified business types according to their rent-paying abilities and adapted them into his spatial model. By doing so he was able to construct spatial models from different bid rent curves. According to Garner, regional, neighbourhood and community business types can be distinguished with the help of developed bid rent gradients. Although the two dimensional nature of the bid rent graphics are similar to concentric zone theory of Burgess, the economic basis and utilisation of finer data related to specific sectors make bid rent curves more concrete and realistic.

In the neo-classical economic theories, given enough initial assumption, it is demonstrated that supply and demand are held in equilibrium and the equilibrium is guaranteed by price mechanisms. Both the consumers and firms are considered under the concept of profit maximiser/cost minimiser “economic man” and they are thought to be fed by perfect information flows through the economic system. Technological developments leading to the elimination of fertility differences, together with the focus on urban lands where natural differences are minimised, contribute to the acceptance of an isotropic land assumption. To simplify the calculations, assumption of the availability of a single good in each sub-sector is accepted in most of the economic theories. As mentioned by Kivell and Shaw (1980:100), the spatial-economic approach would be much more complicated and even impracticable if these assumptions (isotropic space and single good) were relaxed. Despite these limitations, most of the location theories took their basis from economic considerations and related assumptions.

Some of the general criticisms made to previous approaches are also valid for this land value theory. Although it offers a concrete background on the basis of land rent values, the theory neglects the external factors which cause irregularities to the distribution of land values and neglects the historical and sluggish process through which plots of land and uses actually change. The theory does not take into account urban planning regulations and unequally distributed road network, which all considerably affect land values. Even if land rents are considered to be a major parameter affecting the decision making process of firms, it should also be acknowledged that any combination of other parameters like the plot size, population characteristics and income distribution also have significant influences on the decision making process of the firms. A final criticism came from Kivell and Shaw who claimed that any study of the urban land market necessitates the enquiry into the political economy of urbanisation and the study of the investment market (1980:107).

2.2.1.2. Theory of the Firm

If land value theories are considered to be the products of classical economics, it is possible to place the theory of the firm into the neo-classical economic framework. The *theory of the firm* assumes that the main motivation of private economic activities is the maximisation of profits. Environmental complexities, like differences in population characteristics (e.g. density and spending power), and the reactions of other firms to these externalities make business environments difficult to conceptualise. It is also not possible to talk about a single firm motivation which is oriented towards profit maximisation. Strategies of the firms (retailers) vary according to their size, ownership pattern and goals. Additionally, many researchers point out that entrepreneurs also consider consumer variables and variations in demand before taking their location decisions (Claus, et al. 1972).

Agglomeration economies or the interdependency between firms, also play an important role in the theory of the firm. From the marketing point of view, the clustering tendency of firms is explained by Hotelling's (1929) 'ice-cream vendor' situation or by Nelson's (1958) 'cumulative attraction theory'. Both theories suggest that firms functioning within the same merchandise category tend to cluster rather than to scatter in search of doing more business. In practice, it is demonstrated that this tendency based on initial advantage consideration neither necessarily produces more business nor creates a spatial organisation beneficial for consumers. Agglomeration based conceptualisations expanded knowledge about retailing by showing that firms produce rational decisions considering short term benefits and local situations. These decisions do not necessarily maximise their benefits and may produce negative social consequences, although not intended at the beginning.

On the side of theory of the firm, critiques can be directed to the general assumptions limiting the understanding of the real world complexity. From time to time, firms' diverse motivations lead them to benefit from agglomerations and sometimes from monopoly advantages, depending on the market structure and competing firms.

2.2.2. Consumers and Consumption Based Studies

2.2.2.1. Behavioural Approaches

According to Shepherd and Thomas (1980:29) limitations of normative spatial theories gave rise to the development of behavioural studies which aim to explain the nature and motivations of consumer behaviour. Behavioural approaches differ from previous ones by focusing on the demand side. Instead of reducing the diversity of the consumers through economic or mathematical assumptions, behavioural approaches develop theories from the agents themselves. Shepherd and Thomas (ibid.) divide the study of behavioural approaches into three categories: theoretical behavioural approaches; empirical behavioural approaches; and cognitive behavioural approaches.

Researchers working in the field of *theoretical behavioural approaches* try to make use of the data obtained from surveys to construct a 'centre attractiveness index' which covers a broad range of centres within a defined area. The aim of constructing such an index is to overcome deficiencies brought from single case survey data. Because the information used is based on a sample population and can only reflect a specific context, these theories are thought not to be illuminating for diverse contexts. Furthermore, Eyles (1971) claims that these studies have to be based on constraints rather than preferences to include information about broader populations. Following Eyles, Pirie (1976) suggests that theoretical behavioural approaches are just concentrated on shopping behaviour patterns but such patterns cannot be investigated in isolation from other facets of spatial behaviour which includes home to work trips or trip patterns concerning other leisure or family activities.

Another group of approaches is called *empirical behavioural approaches*. These approaches include various types of studies including:

- Trade area studies (which aim to define stores' trade areas by interviewing shoppers within centres or questioning shoppers at their origins).
- Aggregate consumer behaviour surveys (which attempt to reveal different behavioural patterns of shoppers and the causes of their variations).

- Activity management studies (which adapt the space-'time budget approach' of Hagerstrand to consumer studies).
- Studies on the factors influencing shopping behaviour (focusing on cultural, economic, demographic, geographical factors affecting consumer behaviour).
- Studies on constraints on shopping behaviour (which intend to analyse environmental constraints and consumer related constraints separately, and mainly concentrate on accessibility issues),
- Studies about the consumer behaviour within shopping centres.

The last group of approaches developed within the urban consumer behaviour field are the *cognitive behavioural approaches*. As mentioned by Shepherd and Thomas (1980:61) these approaches focus on the perceptual aspects of individual decision making which originated from Isard's concept of 'individual space preferences' (Isard, 1960). Similar to empirical behavioural approaches, cognitive approaches include various analytical tools, like the learning cycle approach (which emphasises an individual's past experiences and contemporary learning processes about shopping centres to overcome the rigidity of economic assumptions), spatial information approach (which combines individuals' spatial information with their shopping centre conceptions), perception studies (which regard how internal characteristics of shopping centres influence consumers' choices of centres and behaviours within the centres), and aggregate models of consumer behaviour (which use models like gravity models but with parameters derived from perceptions of the consumers).

2.2.2.2 Consumption Studies in the Cultural Turn

Specialisation in consumption studies help researchers to discover the hidden dimensions of consumption practices. As a first reflection, consumption is seen as an on-going process rather than a momentary act of purchase (Crewe, 2000:280). Although the on-going nature of consumption has already been acknowledged by Marxists through the adaptation of 'use value' and partially used by neo-classical economists for the determination of 'product life cycles', this final touch contributes to the realisation of deeper and better understanding of concepts used in different research perspectives. Human interaction lies at the centre of consumption studies, as well as the meanings attached to consumption and commodities, and transformation of these meanings and creation of new ones as a result of commodity.

With the introduction to the studies of meaning, the view considering consumption as a simple act of purchase is replaced by the argument that people do not just buy passively or uncritically but transform the meaning of bought goods, appropriating and re-contextualising

mass market styles. Crewe reports research which makes use of ethnographic and qualitative techniques and focuses on what people do with their purchases, how they transform their commodities and how they display their possessions (through gift-giving for example) (2000:280). Belk (1995), accepts the constant transformation of meaning and investigates how consumers construct the meanings of goods or change the value of commodities.

The interaction between people and commodities is not restricted to the change of commodities' meaning. Bauman underlines the transformative role of consumption on human lives. At the personal level, buying and selling contribute to the construction of identities. By referring to Baudrillard, he argues that simulacrum replaces representations as *materialisation* of the "self" realised with the *idealisation* of the 'material' through shopping (Bauman, 2007:115). At the societal level, he argues that consumption nurtures its institutions and imposes its politics. As Bauman claims, the State, with its legislative and juridical arms, executes market sovereignty, promotes good consumers and ignores those that have no means of consumption (ibid: 66-7).

As a consequence of the intensified interest in consumption studies, spaces of consumption have become a hot topic of research. The variety of contemporary places of consumption reflects the fruitfulness of the research area. Some studies concentrate on the internationalisation of key retail formats like shopping malls, discount retailers, supermarket giants (Wrigley, 1999a; 1999b; Wrigley and Clarke, 1999), examining the strategies and policies utilised by the firms and the spatial advantages created by these formats. In addition, there are studies which focus on the hegemonic character of shopping malls as 'urban cathedrals' of 1980's which change our understanding of space and time (Chaney, 1990; Goss, 1993). Another range of studies deals with the historical background of new consumption practices and places (Glennie and Thrift, 1993; Blomley, 1996).

Crewe assumes that the concentration of interest on shopping malls denies not only the complexity of consumption places and practices, but also social, cultural and economic significance of other places of consumption (Crewe, 2000:277). On the one hand, the street is acknowledged as a place with its own image and identity which has the power to guide locational preferences of commercial activities (Crewe and Lowe, 1995). On the other hand, streets of different styles are analysed by focusing on particular streets (like Bond Street and Sloane Street in London) which were able to develop particular styles with the help of the uses they included and famous brands they sheltered (Creative Industries Task Force, 1997; Moore, 1997).

Despite the ever developing attractiveness of mass consumption spaces, both with the help of advances in information and telecommunication technologies and as a consequence of the spreading individualisation in societies, home and domestic spaces have become significant consumption sites. Research on this subject varies from window shopping at home through utilisation of shopping catalogues (Clarke, 1997) to cyber and virtual shopping (Graham, 1998; Kitchin, 1998). Some studies focusing on the consumption of particular commodities like food reveal symbolic aspects of domestic consumption and contexts in which consumers operate and meanings are made (Jackson and Moores, 1995).

The cultural turn provides valuable information obtained from deepened studies related to different elements of the consumption and production system. Despite its contribution, results obtained from various researches lose their explanatory capacities when separated from individual cases. Their method, which is neither inductive nor deductive, aims simply to explain case-specific mechanisms but does not deal with the broader system. The formation of 'scientific ghettos', as mentioned by Harvey (1973), now becomes dispersed within a single field and diverts attention from special subjects other than problems.

Apart from scientific and methodological concerns, the research focused on consumption has several other deficiencies. Consumption activity is so praised by the society that its borders far exceed the satisfaction of needs, wants and even desires and make individuals an element of consumption. Bauman calls this process the '(re)commodification of the consumer' (Bauman, 2007:57). Almost all of the studies mentioned above analyse the relationship between consumers, consumption activity and commodities but say little about the negativities created by this interaction. Consumers are living in a kind of simulation where they are thought to exist in freedom (usually of choice) defined by the imperatives of the culture of consumption. Within this culture, people are forced to be free (ibid: 74) and always encouraged to consume. Consequently, those who cannot consume are not only excluded from society, but are also unable to establish an alternative life outside the culture of consumption.

Commodity fetishism, as Marx termed it, is another critical aspect of the cultural turn. Focusing on individual commodities (their production, circulation and consumption) hides the general human interactions behind them. What is perhaps more important now is to pass beyond this 'veil of ignorance' constructed by commodity fetishism to acknowledge the impacts that this system has overall. Fortunately an increasing number of researchers have stopped dealing with the more critical and technical side of consumption practices and

started focusing on power relations and other related problems within the system. This research points out the domination of retail power, local and global exploitation of labour power and spreading out of inequalities and miseries.

2.2.3. Commodity Chains, Cycles and Systems in The Cultural Turn

Research related to the post-purchase period is accompanied by research related to the ante-purchase period. Labour practices and social relations of production which fed systems of retail provision and consumption dominate this area of research (Crewe, 2000). Research tends to focus on specific geographical contexts and to reveal the details of mechanisms affecting commodity chains. Fine (1993) defines systems of provision as 'commodity specific chains connecting production, distribution, marketing and consumption and the material culture surrounding these elements" (1993:600). Departing from this point, and emphasising the commodity-specific nature of chains, many researchers concentrate on specific products of particular sectors like food, flowers and apparel.

One research group aims to reveal distributor-retailer relations. These researchers explore the ways in which new supply organisations are created and investigate the nature of supply organisations. Some of this research reveals that supply organisations are made up of a complex and spatially extensive network of firms functioning under the control of big retailers (Donaghu and Barff, 1990; Crewe and Davenport, 1992). Another part of it presents more equitable relations between suppliers and retailers based on knowledge sharing, market intelligence and labour (Crewe, 1996; Scott, 1996; Crewe and Beaverstock, 1998). Although the increasing retail concentration and monopolisation in developing countries supports the findings of the first group, growing interdependency between consumer demand and commodity supply necessitates the development of retailer-supplier interaction.

A second cluster of research is focused on the power relations between different scales. Some of these studies illustrate the oppressive power of global corporations which decrease the importance of local factors (Ritzer, 1998; Bryman, 1999). A kind of new colonialism appears as global firms, interested in local markets, force changes in the local supply patterns to guarantee their interests through standardised organisation procedures. Other studies demonstrate how global forces mediate with regional and local values and create new forms of coalition (Lien, 1998; Murdock and Miele, 1998). Differing from the first group, these latter studies illustrate that global forces mediate with local dynamics and are able to increase their efficiencies by adapting to local supply organisations.

Both the first and second group of supply chain research confirms that any understanding about the dynamics affecting supply organisations necessitates the analysis of both horizontal (inter-sectoral) and vertical (local-global) interactions.

2.2.4. The Production Process in The Cultural Turn

As a consequence of the unbalanced emphasis given to consumption and retailing, a final but less intensive field of investigation arose to deal with the lack of understanding about how, why and where products are produced. Analysis related to production sites, labour processes, marketing chains and retail systems reveals complicated global relations. Horizontal disintegration followed by vertical reintegration has tremendous effects on the global organisation of production functions. With the help of advances in telecommunication and transport networks, different elements of production, once stuck within firms' boundaries, are scattered across the world to increase the efficiency of production.

Global reorganisation of the means of production is accompanied by the global reorganisation of social relations of production. Together with new product markets, new labour markets are reached and exploited. Consequently, processes creating inequalities at local levels start to be sensed around the world. The unequal geographical creation of wealth is followed by the global exploitation of labourers (Massey, 1995). Research examining such problems identifies that inequalities are the result of actors commanding and controlling systems of production and suppressing the labourers who realise the production of commodities (Donaghu and Barff, 1990; Crewe and Davenport, 1992).

2.3. Theories Concentrating on The Political Aspects and Urban Injustices

The link between production and consumption necessitates the existence of regulatory mechanisms controlling the distribution of goods and services. In advanced capitalist societies the distribution system is regulated by market mechanisms which both reflect individual preferences over goods and services but also distinguish individuals according to their purchasing power (Pinch, 1985:6). The following paragraphs are devoted to presenting the literature which deals with the negative consequences of market based distribution mechanisms. The section begins with the changing distribution patterns in collective services and continues with the newly developing literature about infrastructure provision. In the final part of the section the emphasis moves from the elements of collective consumption to those of private consumption. Accessibility to retail facilities, and more specifically to grocery

retailers, is discussed together with the concepts of disadvantaged consumers and food deserts.

Subjects covered in this section illustrate the uneven nature of capitalist urbanisation by focusing on different urban activities and services. The creation of new needs, incapability of market mechanisms to meet these needs, and the resulting unequal geographies are the main focuses of this section.

2.3.1. Collective Consumption Studies

In advanced capitalist societies, the post-World War II period, characterised by Keynesian policies, aimed to achieve a social balance through the redistribution of wealth to greater populations than solely capitalists (Pinch, 1985:162; Graham and Marvin, 2001) or at least the sharing of the benefits of growth between labour and capital. As a result of consequent policies, public service provision reached the majority of the masses and achieved a step forward in the way of reaching just societies. With the 1970's, as a consequence of the economic crisis, countries started to restructure their economies and decrease their social expenses. The public provision of collective services was highly affected by these decisions as their provision was increasingly expensive and therefore not attractive to private markets (Pinch, 1985:147). It was thought that the more the state moved away from provision of collective services, the more the private sector would become willing to enter this sector.

The economic constraints of the state together with the private sector's need to maintain profitability made the transition process incomplete and problematic. The gradual withdrawal of the state and its deficient replacement by the private sector created both spatial and social inequalities in the provision of collective services. The inability of central and local governments to manage collective services together with the privatisation of collective consumption aggravates the problem from two sides.

Castells (1977a) approaches this problem as an 'urban question' as it affects the life of all social groups in the society. For him, the source of the problem lies in the fact that collectivised consumption activities increasingly have to be produced and distributed under capitalist logic. To solve the problems, and more importantly to contribute to the reproduction of labour, the state has to be involved in the distribution of collective services and replace market mechanisms. Despite this necessity, instead of intervening with the distribution mechanisms, the state's involvement in social mechanisms stays limited (most of the time) to the suppression of labourers protesting the conditions threatening their reproduction

(ibid:14). At other times, the state may intervene with the provision of collective services against the capitalist interest. This happens not for the real benefit of labouring classes but for the continuity of monopoly interest (1977b:31).

The differential distribution of public services and the problems related to its geographical implications have also become the subject of spatial justice research. Davies (1968), criticising the unconscious spending of budgets on public services and the insufficiency of investments in establishing social justice, develops the concept of 'territorial justice'. According to Davies's spatial normative approach, territorial justice is defined as "an area distribution of provision of services such that each area's standard is proportional to the total needs for the service of its population" (ibid:39). This statistical condition is calculated according to the correlation coefficients and coefficient of variation based on a number of variables including: the resources allocated (e.g. expenditures); provided services (e.g. healthcare services and school); intensity of service provision (e.g. quality of service enjoyed); and charges made to recipients. Davies illustrates the utilisation of the 'index of territorial justice' by analysing the services provided to old people, children's services and education services. Although the work of Davies should be considered as a reflection of its context (towards the end of the welfare era), and despite its regional emphasis, it is considered a milestone in the spatial understanding of social justice (Harvey, 1973; Castells, 1977a).

Another important contribution comes from Pinçon-Charlot et al. (1986). Criticizing the implications of the 'welfare state', they come to the conclusion that it was the promoters who really benefited from advantages, whereas the majority of the population had to face social problems related to inadequate housing and collective spaces, decreasing quality of collective services and insufficient transportation. The start of the neoliberal era, they argue, brought the problems into a new dimension in which social expenditures decreased and both capitalist interest and individual consumption were promoted against collective consumption (ibid: 4-5). Within this framework, Pinçon-Charlot et al. (ibid.) reformulate the problem of accessibility and utilisation of the means of collective consumption as a part of the general process of spatial segregation, reinforcing itself over time.

Their reformulation necessitates the analysis of the distribution of services with a sociological background which is generally ignored in the literature (ibid: 7). To combine the two dimensions, spatial and social, their research first focuses on the determination of the characteristics of all the collective services located in each '*commune urbaine*' of the Paris region. Identification of the characteristics of the well served and ignored populations – in

terms of accessibility to identified services – forms the second part of their analysis. In doing so, the authors try to discover the connection between the geography of public services , social control theory and the market paradigm as the principal regulator of social and economic justice. Pinçon-Charlot et al. (ibid.) also identify whether these theories move away from an egalitarian vision or not. Finally, based on a 'principal component analysis', the authors find that both in the city and in its surrounding neighbourhoods and 'banlieus' subject to severe inequality, problems are related to the social class structure.

2.3.2. Splintering Urban Infrastructure Provision

Cultural discourse paid a great deal of attention to consumption activity (as has been underlined in the previous section) but such discussions ignored the field of consumption of utility services which is effective both in the urban economic development and creation of the built environments (Guy et al, 1997). The subject became even more important after 1980's when cities started to experience the transforming effect of the policies of liberalisation and privatisation that are felt in different areas including socio-technical organisation of cities (Marvin et al., 1999).

In today's developed countries, the brief history of infrastructure provision in urban areas started with industrialisation, when the provision of gas, electricity, water and later, phone networks were realised in a localised pattern, making islands of networks within urban and regional landscapes (Guy et al., 1997). With the advances in industrialisation, this localisation movement was replaced by the 'nationalisation' trend which addressed the problems of "fragmented, unreliable and uneven supply of utility services, both as a stimulant to industrial modernisation and regional development, and as a spur to consumer demand and social progress" (ibid: 194). Within this second stage utility services were standardised, modernised and integrated, and their regulation was realised at the national level (Graham and Marvin, 1996).

The ideal of a comprehensive provision of infrastructures in the most developed countries was threatened by a number of events which occurred during 1970's. The energy crisis followed by rising energy prices, increasing limitations on public expenditures, development of environmental concerns and finally the existence of a general demand for the renewal of old water and electricity networks (especially in the UK). These forced governments to think about their infrastructure provision policies. As a result, with the beginning of 1980's, liberalisation and privatisation policies started to be enacted to "improve" existing service levels, increase efficiency and make the infrastructure sector more "responsive" and

competitive[5]. The final stage we are experiencing today, characterised by privatisation and global localisation, was then initiated (Guy et al., 1997: 199-200).

Privatisation of public infrastructures also changed the logic of service provision and management. State-owned institutions which functioned with regard to the public interest were replaced by firms functioning with reference to business interests. Considering this transition process, Graham and Marvin (1996) argue that institutions which were responsible to the public were transformed into the "world's largest and most profit-hungry corporations, searching for maximum rate of return" on their investment in a globalising context. The new management logic of infrastructure networks covers the discovery of niche markets offering maximum returns, implementation of innovative technologies, and the elimination of standard tariffs and reduced cross subsidies. Consequently, "Spatial, institutional and social 'splintering' in the delivery, development and management of urban technical networks" begin to occur (Guy et al., 1997:192).

Splintering networks have several characteristics. They can organisationally diversify and allow functioning of multiple providers in a single network. They are primarily market oriented and aim to respond to the needs of profitable niche markets. Finally, they are shaped by local and regional demand and, as a consequence, they have the tendency to uneven development (ibid). Although all such characteristics have tremendous effects on the urban social and economic structure, the focus is given to the uneven character of a 'splintering' network provision.

It is argued that the profit-oriented motivation of private infrastructure network provision lies at the basis of its uneven character. The search for novel ways of extracting surplus value, high sensitivity to market potential and profitability replaced the idea of public service which aims to provide standardised services for all irrespective of income and location (ibid:203). In a highly competitive market, firms cannot consider urban land as a homogeneous plane and search for best places to invest (cherry-picking). Firms' sensitivity to best places lead them to reveal market potential of different areas through the use of geo-demographic analysis and consumer profiling techniques. Classification of consumers in terms of their rate of consumption is no longer sufficient for firms. Commercial value, lifestyle, and value added potential of consumers are carefully mapped with GIS tools that are already in use in the retailing industry. Additionally, recent tariff reforms which allow firms to reduce cross

[5] The attempts for increasing competition did not affect all sectors similarly. For some sectors, like broadband TV networks, competition was realised easily; while for some others, like fixed land-line telecommunication networks, competitiveness can hardly be realised; and in the case of sewage and water networks due to a number of technical and economic reasons it was and still impossible to establish competition.

subsidies (the transfer of advantages obtained from rich/advantaged consumers to poor/disadvantaged ones) cause further inconveniences to less favourable consumers and increase the trend of socio-spatial polarisation within cities (Knox, 1995). In brief, those populations who cannot meet the investment requirements of private companies are mostly ignored and forced to be dependent on older, standardised networks with all their disadvantages.

The privatisation and liberalisation of infrastructure networks, not only in advanced capitalist societies but also in the developing world (as showed by Graham, 2000), established infrastructure provision as another field of inequality and unevenness. Implications show that it is not the policies of privatisation and liberalisation themselves but the shift from public to market logic and the policies of deregulation which lie behind the problems mentioned above. Guy et al. (1997:213), underlining the divorce between utility companies and urban policy-making, argue that there is a huge need for regulation not only of splintering local utility networks but also national and international ones. Graham (2000), considers the “erosion of comprehensive urban planning”, as one of the reasons leading to the creation of very selective premium network spaces. Considering the present situation, trends and future probabilities, it is possible to conclude that injustices (related to infrastructure provision in this case) will continue to increase unless regulatory policies discipline the market logic.

2.3.3. Disadvantaged Consumers and Food Deserts

In the literature, accessibility to supermarkets and their relative advantages are discussed on the basis of food deserts (mainly for the cases around UK) and food insecurity (for the cases from USA).

Disadvantaged consumers are defined as those consumers whose access to a variety of stores is constrained. The constraint could be the direct effect of accessibility and/or the combined effect of income which both affects accessibility and economic opportunities. Disadvantaged consumers could be members of low income families, women, ethnic minorities, the elderly or the disabled whose common characteristic is low mobility. Some studies have developed other definitions. For example Davies and Champion (1980) divide deprived consumers into two categories: disadvantaged consumers (those having low income and limited purchasing power) and neglected consumers (those having severe mobility problems like elderly and disabled). Whatever the definitions, the concern is that disadvantaged consumers are faced with double-edged problem: the problem of accessibility to out-of town, or merely distant, retail services and the problem of being dependent on local

convenience stores where prices are high, products are processed and fresh fruit and vegetables are poor or non-existent (Whitehead, 1998:189).

The locational preference of modern shopping facilities is diverse. Although earlier researches illustrate a situation in which new shopping centres tend to locate in out of town locations, due to regulations restricting out of town shopping developments availability of lands in relation with the town centre development schemes and intensified competition between retailers, since 1980's there have been an increasing tendency in inner town shopping centre developments. Furthermore out-of town shopping areas are increasingly better connected to city centres as in cases of Scandinavia, Paris and Westfield, London. Despite the diversification in locational preferences and increases in accessibility opportunities still there exists differences between consumers. Travel distance / times, limited carrying capacities for carless consumers and indirect disadvantages these consumers have to face due loosing small scale stores in their localities (security, socialisation, etc.) can be mentioned as some of the problems that contribute to the continuation of a separation between consumers.

Food deserts can be considered as the geographical reflection of disadvantaged consumers that have difficulties in accessing to food retail options. The term was originally used to describe areas which differentiate from others in terms of inadequate provision of food. A more official definition of food deserts refers to those areas of cities where cheap, nutritious food is virtually unobtainable (Whitehead 1998:189). Consequently, food provision can not only be limited to food availability but also covers its variety, quality and price as well (Clarke et al., 2002). Despite the fact that food deserts were first defined according to problems which occurred in the UK and the USA –as with studies of infrastructure provision – it is later adapted to other contexts as the logic of capitalist retail provision with the same motivation of profit maximisation extends geographically.

The growing problem of disadvantaged consumers and food deserts offers a productive field of study for academics and a challenge to planners. The following paragraphs are devoted to different researches realised in the field of food deserts and disadvantaged consumers. To facilitate the path of development of disadvantaged consumer and food desert studies, researches performed in these fields are divided into three categories covering the years 1980's, 1990's and 2000's.

1980’s initiation

In one of the first researches on the subject of food deserts Bowlby (1985) investigated the case of Oxford and found out that disadvantaged consumers are constrained in their access to a wide variety of stores. She found that three factors influence actual mobility of consumers in Oxford: car ownership, income level, and personal ability and health. In her classification those who lack those characteristics are considered as disadvantaged. Later, at the beginning of 1980’s, Guy (1984) examined the routine convenience shopping behaviour of two groups of disadvantaged consumers (households containing unemployed adults and households containing retired adults) in Cardiff. Guy also compared the shopping attitude of these groups in terms of their total expenditures on food and grocery items, expenditures by store type and by distances travelled to major grocery sources. He concluded that the two groups did not have similar attitudes differed from each other and from our normal stereotypes about consumers. Unlike a control group of randomly chosen consumers, he observed that unemployed persons only use superstores and grocery opportunities that are close to them. Retired consumers instead use independent and chain stores more frequently despite their distant location. In their research realised in 1984 Philips and Williams focused on rural areas of the UK that were well documented as suffering from deprivation in three distinct areas; increasing household sizes, lack of retail opportunities and lack of mobility. Based on this initial research about rural disadvantages, in 1988, RTPI (Royal Town Planning Institute) reported that under the prevailing conditions, shops play a vital role for the sustainability of community sprit within a village and loss of them means loss of this community spirit and transform British rural settlements to dormitory towns.

1990’s development

In 1990’s, throughout their research realised in Oakland by Mayer and Scammon (1993) identified that in urban areas, where mostly poorer people live, consumers need to pay and travel more for their purchases with compare to those people living in suburban areas. Later, in 1997 Allwit and Donley analysed the distribution of shopping facilities located within poor and non-poor urban neighbourhood areas in Chicago by focusing on store types and sizes. The research not only covered food retailers but also included other urban services like banks and restaurants. The authors used discriminant analysis to reveal the features distinguishing poor areas and non-poor areas. They revealed that poor areas mostly have smaller and fewer retail outlets than non-poor areas regardless of which retail category is concerned. Yet the authors did not observe any statistically significant difference with respect to the distribution of services other than retailing.

Bromley and Thomas (1993) looked for the determinants affecting variations in shopping behaviour for groceries and DIY products, based on a household survey carried out in Swansea, Wales. Their research found that that location of residence, age and socio economic status have influence on the shopping behaviour of the individuals while car ownership plays a very significant and determinant role in the process of shopping. They also demonstrated that off-centre shopping opportunities dominate the consumption behaviour of car-owning households, whereas carless shoppers focus more on traditional and localized shopping facilities. Considering that accessibility is the principle determinant affecting consumer behaviour, with 78% share in total shopping practices, the city centre is still dominating the shopping practices of individuals, particularly when clothing and footwear are considered. For other goods, like groceries and DIY, out of town shopping opportunities are attracting much more consumer than the city centre.

2000's intensification

Robinson et al. (2000) dealt with the health dimension of the food deserts and analysed health inequalities related to the accessibility of grocery shops. They used the survey of the UK government's Social Exclusion Unit which reveals some facts about the conditions of accessibility of low income groups in England. The choices of the population concerned were found to be dominated by income and transport in particular. The research also underlined that local shops are visited more frequently than distant shops and those who have access to a car or van are twice as likely to shop at an out-of-town supermarket. The most striking finding was that 9 out of 10 respondents are satisfied with the shops they are using and most respondents are unable to describe whether shopping facilities they use are better or worse than those in other areas. As a final remark, the research pointed out that the most important barrier in using better shopping facilities is the distance.

A year later, in 2001, Williams and Hubbard were able to work on extensive surveys and intensive interviews to observe the impacts of retail change on 'disadvantaged' consumers in Coventry. Unlike other research, this study observed the social contexts and physical settings that new retail facilities created. Consumers' social interactions with other people were thought to have crucial importance in influencing their use of particular retail locations. The results verified some findings of conventional understandings on disadvantaged consumers; like the high dependency on car ownership together with the importance of family size, illness, employment status, and age. Yet the paper recommended that there is a need for further analysis to understand the dynamics of inclusion and exclusion processes related to shopping activity. To illustrate this need, the authors provided some striking results. Despite the availability of similar shops within shorter distances, some people could

go further to shop due to different meanings they attached to facilities (ibid:278). Another example contributes to the research of Robinson et al. (2000) by encompassing considerable number of people who, despite their disadvantaged position, did not perceive that they experience a disadvantage. Instead, these people appear mostly satisfied with the quality and the location of the stores they use, taking into account the convenience, comfort, and value for money offered (Williams and Hubbard, 2001:284).

In 2002, Whelan et al., in a public health focused research project, analysed a series of focus group meetings conducted with the residents of the Seacroft 'food desert' in Leeds. The research compared individual food shopping behaviours, consumption patterns and attitudes for the realisation of healthy diet. Whelan et al. developed a qualitative approach to have an insight into economic and physical constraints in the area concerned. The article illustrated the multiplicity of priorities including price/cost, distance, family responsibilities, and individual smoking status, all of which affect the food consumption experiences of respondents. Furthermore, authors identified different coping strategies among individuals. For example, young women were more concerned about costs rather than the quality whereas older women were more enthusiastic regarding buying healthier foods. In another study about Leeds, Clarke et al. (2002) made a comparative analysis by adding the city of Cardiff to their investigation. Authors attempted to quantify patterns of access to food retailing in two urban areas by looking to the examples of Leeds/Bradford and Cardiff. They used a two way approach, one related to base mapping while another covers a systematic city wide-modelling approach. In doing so, they aimed to quantify store provision levels with reference to shopping flows in order to identify food deserts. The authors develop an origin-constrained spatial interaction model to identify interaction between origins (residence zones) and destinations (food retailers). From this model they obtain three kinds of performance indicators6 to quantify spatial variations in access to goods and services that could also be used in future research.

Clarke et al.'s model (2002) responded to the question of whether the inclusion of a large grocery store into an existing retail system decreases or increases the aggregate accessibility to food in food deserts. Due to differential provision levels and specific contexts, entry of the new developments to the model gave different results. A store development in a new residential area or in a city where provision levels are already high, had less impact on food deserts. Alternatively, a big store opened just outside a food desert would negatively

[6] i) simple provision indicators: retail grocery square feet per household ii) accessibility indicators (mapping the retailers, defining the 500m range, identifying deprived areas, identification of independent food stores), iii) model based indicators

affect the economic performance of a number of existing small stores and worsen the situation. Consequently, different cases, both from Cardiff and Leeds/Bradford areas, produced different outcomes with respect to existing provision levels. The most significant finding they reported was the fact that the concept of food deserts should not be reduced to those areas where people experience poor access to grocery retailing but should encompass those places where inhabitants also lack access to good quality and affordable food.

Lewis et al., in 2005, approached to the food security question from the point of view of accessibility to restaurants. For the case of South Los Angeles, they found that in southern parts of the city which are mostly dominated with poor African Americans, people are having fewer health options than Western parts of the city where wealthier people are living. At south, it was observed that there exist fewer supermarkets, fewer high-quality food options but disproportionate number of fast food restaurants. In 2006, Smoyer-Tomic et al. conducted a research on Canadian cities and demonstrated that different from American and UK cities, small disparities exist in supermarket accessibility within most of the Canadian cities. But as a similar finding, they underlined the importance of low income among minority groups are suffering from not being able to access to conventional food stores. In the same year, Shaw (2006) provided a classification of criteria identified in various research studies carried out in the field of food deserts and tries to decrease the vagueness of the food desert concept. Based on a number of semi-structured interviews, made with various participants covering a wide range of responsibilities (including retailers, planners, health providers, retail property agents, etc.) in various UK locations, she identified at least ten different types of food desert. Her classification could be summarised under three headings which constitute: financial (asset related); physical (ability related); and mental (attitude related) barriers. In her detailed analysis, the most prominent findings were found to be related to food deserts within inner city areas, affluent suburbs, and barriers related to cultural backgrounds and lack of cooking skills.

In the year 2007, Bromley and Matthews carried out extensive interviews with a group of disadvantaged people (wheelchair users) from South Wales to analyse their food shopping experiences. The importance of their research came from the fact that they aimed to understand the effect of retail changes and improvements associated with the Disability Discrimination Act. The results showed that majority of the wheelchair users were still experiencing difficulties and feeling disadvantaged while shopping. Analyses related to visited shopping facilities demonstrated also that older, more traditional shopping locations were particularly disadvantageous to disadvantaged people (due to their spatial inflexibility) while newer and larger supermarkets offer various advantages to disadvantaged consumers

(like dedicated car parking spaces, spacious aisles, special facilities and trained staff) and make the shopping much easier for them. Again in 2007, Powell et al., in their comprehensive study covering different US cities, underlined that racial and ethnic factor (African American vs. white, Hispanic vs. non-Hispanic) together with socio-economic variations cause disparities among American population. Finally, in 2008, Raja et al (2008) worked on Erie County, New York found out that despite the non-existence of food deserts at the concerned area; it is possible to talk about the absence of supermarkets in neighbourhoods of colour when compared to white neighbourhoods.

2.4. Conclusions

Until this point the literature review investigated the approaches touching upon one or multiple aspects of the questions posed at the introduction.

- the conceptualisation of the **capitalist system** within these theories,
- the way the **urbanisation process** is explained,
- the description of the **mechanisms and actors** producing retail geographies, and
- the way **urban injustices and inequalities** are handled.

In this context, approaches were grouped according to the way they contextualise retail activity. All of the theories contribute to our understanding on retailing through various degrees. At the end of the review, the author admits that the mentioned theories have both negative and positive sides to be considered in the course of the research. While each theory shed light on a particular aspect in relation to retailing, the need for an inclusive approach became apparent.

The first group of approaches are discussed under the theories linking retail production processes with the urbanisation process. Apart from the aims of the thesis, these theories are criticised for being descriptive, rigid, context dependent, and ignorant of social and economic injustices. Regarding the last aspect, which is one of the problematiques of the research, most theories ignore the problems of the built environment, conceiving them as “natural”, as consequences of on-going ecological (for the case of ecological theories) or economic forces (for the case of normative spatial theories). As a result of such forces, the urban environment is thought to reach certain equilibrium (environmental or economic) and inequalities are thought to be inevitable - or at least not the proper concern of researchers. Concerning the mechanisms and actors, these theories apply supply-demand relations as the guiding factor and describe an environment of consumers and retailers. Although they do not consider inequality as a problem, ecological and post-modern theories’ explorations

reveal socio-economic differentiations among inhabitants who are forced to live in disadvantaged locations. The time difference between the development of different approaches but similarity between their findings illustrates that the location of several economic activities, including retailing, depends upon relative advantage of locations and disadvantaged populations always suffer from this spatially selective practices.

For postmodern urban theories, it is assumed that the domination of market forces will increasingly continue in the future. The capitalist ideal of 'absolute space' will be realised rendering cities and urban lands both economically uniform and always ready for (dis)investment. As a natural consequence of these assumptions, cities will be more polarised and the gap between rich and poor, between capitalism and labour will widen. Instead of seeing this phenomenon as a problem, 'keno capitalism' considers it as inevitable. Despite their descriptive and hypothetical character, postmodern urban theories are useful in demonstrating the future of urban conditions in the hands of market mechanisms. But their effectiveness in linking the negativities of the system with general political framework and correcting this problematic is still questionable.

Despite their deficiencies, three of the approaches acknowledged the relationship between retailing, urbanisation process and much broader forces either in the form of economics or biology. While for the ecological theories and post-modern approaches, existing forces are conflictual thus dynamic; for normative spatial theories considered forces (market mechanisms) are thought to be more static. At the end, despite their high abstraction level, postmodern approaches can be seen as the closest models to understand ongoing mechanisms guiding urbanisation processes, the future structure of cities and probable negative consequences that humanity will have to face if everything goes without change.

The second group of approaches concentrate on retailing activity and its components. These theories expand our knowledge about the broader system but failed to locate it in much broader systems like urbanisation process or political economics. The approaches' focus on broader economics stays limited mainly with retailing and partially with "secondary" systems like production and consumption. The link between retailing, other layers of urbanisation (like housing and transportation) and broader aspects of political economy (neo-liberalism and its local implications) can be mentioned as the main deficiencies of this second group of approaches.

Despite their deficiencies, the author acknowledges that it is still possible to utilise some aspects of these approaches. Considering economic theories, despite their static and

overgeneralising nature, their emphasis on material conditions (like rent rents and profit maximising “economic man” concept) seem still valid to understand basic consumer and retailer behaviours with diversifying patterns. With the help of consumption studies and studies in the cultural turn, the importance of consumption activity for the continuation of human life is re-discovered through investigations beyond material dimension by looking at the cultural and psychological aspects. This fact can be utilised as an evidence to illustrate the importance of consumption for contemporary societies and to depict which problems may arise when people have limits for consumption. Despite their explanatory capacity, with their constrained look to ordinary shopping behaviour and with the intention to expand it further. As a result these theories can only consider consumers already having shopping potential and failed to produce any critical knowledge about disadvantaged consumers.

Changed power relations within the economy, the shift of importance from production to consumption and domination of retailers over producers and commodity chains are highly discussed within the third group of approaches focusing on the political aspects of retailing. Initial studies about accessibility to the means of collective consumption and later studies about the capability of infrastructure utilisation discussed the changing political concerns, shift from public provision to privatisation and exemplify various cases of selective spatial logic of “profit hungry” organisations. Despite their tight collection with the broader political economic systems they mostly ignored the case of retailing and inequalities produced out of its changing nature.

In contrast to this first group of approaches focusing on the collective consumption studies and infrastructure provision, a third group of approach rise within the last section. Studies about disadvantaged consumers and food deserts not only touches upon the issue of retailing but also focuses on the negative consequences of the changing structure of retailing that has long been discusses within previously mentioned approaches like studies on retailing and its components, cultural turn studies. In addition to this, disadvantaged consumer studies contribute to the concretisation of postmodern approaches that have predicted negative outcomes of the advanced capitalist system in postmodern times.

While researches about food deserts and disadvantaged consumers underline differences among various cases, they also expose the common factor of disadvantaged in all cases. A new retail development may have positive effect in one case whereas worsen the existing situation in another. The conditions of disadvantage also subject to change from context to context. But, among all differences, these researches suggest that the level of development

that capitalism reached in developed countries tend to produce disadvantages among consumers wishing to access to adequate food suppliers.

These studies, no doubt, provide evidence for the unequal nature of the capitalist system and increased curiosity to observe the situation in a case in transition (like Ankara). They also provide methods to analyse different cases in accordance with case specific priorities. Despite these positive aspects studies about disadvantaged consumers and food deserts hardly pass beyond descriptive stance and hardly deal with broader mechanisms producing observed negativities. Further to this, although these studies can be utilised as evidences of retail change within advanced capitalist system (western neo-liberalisation) they cannot produce suggestions to overcome disadvantages.

At this point, the author asks if there exist an all-encompassing theoretical framework that has the capacity to encompass contributions of revived approaches and to overcome their limits?

As mentioned previously, the capitalist system, urbanisation process under capitalism, its mechanisms and actors performing in them and consequences of these processes in the form for inequalities and injustices are inseparable elements of this research. The common ground of all theories investigated in the literature review section was the retail activity and each type of theory touches one of these inseparable elements but none of the mentioned theories can provide a comprehensive framework encompassing the urbanisation process under capitalist system, its actors, and consequences and integrating these issues with retailing. The next chapter of the thesis is about understanding the basics of the capitalist system to understand the roots of competition (that had already been acknowledged by the ecological or economic theories) between retailers for the use of best locations.

Piecemeal approaches and false comprehensiveness cannot provide any different answer to this question. While concentration on the parts necessitates a comprehensive understanding of the broader system and the idea of comprehensiveness needs to pass beyond the borders of defined activities. It is through this kind of approach that retailing can be analysed through the urbanisation process, urbanisation process is investigated as a part of the capitalist system and injustice can then be positioned as expected outcomes of the processes. It is in the next section that philosophical and analytical basis of a research methodology is discussed. The author believes that this methodology offers tools that are different from the ones performed in before mentioned researches, and that contributes to our understanding

of mechanisms producing capitalist system, urbanisation process, retail development patterns and observed injustices.

Different from the approaches mentioned in the literature review, Marxist approach, by definition produce a comprehensive framework to the research. It is possible to mention about two important components of the Marxist approach to better explain why the theory is comprehensive. First of all, with reference to its historical materialist dimension, Marxism approaches to present conditions both as the products of the past conditions and as the basis of the future structures. Secondly, the materialist thinking in Marxism necessitates the utilisation of the philosophy of internal relations which requires comprehension of parts together with the totalities. In this view parts are the components of broader totalities and totalities are made up of parts. Both totalities and parts are in constant interaction and are subject to transformations due to these interactions. The approach specifically focuses on processes (rather than moments) as transformations at one level cause changes at other levels and thus the interacting system evolves constantly.

When this applied to the present research, the case of retailing can be seen as a part. It is linked to the broader system of urbanisation which is also an upper level part which is in constant interaction with the capitalist system which constitutes totality within the framework of this research. In the course of time, changes in the capitalist system cause changes in the urbanisation processes and this also cause changes in the sector of retailing, and vice versa.

Another important aspect of the Marxist method is that the approach demands the development of a critical point of view as uncritical ones are considered to be misleading as they mostly favour capitalist interests. To this end, much more than any other approach Marxism puts the issues of inequalities and injustices at its centre and develops its arguments on this basis. As a result, the theory not only produces knowledge about observed events but also investigates possibilities to correct observed negativities.

Last but not least, the comprehensiveness of Marxist approach comes from the fact that it encourages the utilisation of different research methods with maximum compatibility. Unless researchers keep scientific objectivity great variety of methods, from qualitative to qualitative, can be utilised within Marxist approach. Next section is devoted to explain specificities of the Marxist approach, different research methods that it embraces and its application to the present research.

3. MARXIST METHODOLOGY

The thesis aims to investigate the mechanisms contributing to the retail production processes and related urban injustices. With the preliminary investigation on the approaches aiming to explain the formation and distribution of urban retail facilities it was seen that these approaches could not provide any comprehensive framework that enable researchers to combine observed urban injustices with the mechanisms creating diverse urban functions including the retailing. The necessity of a methodological framework which encompasses all dynamics and provides tools to explain partial phenomena in relation with these dynamics is obvious. To this end it is believed that the Marxist methodology is the only tool that is capable of grasping the capitalist system, urbanisation process under capitalism, production of retail environments as a part of urbanisation process and creation of inequalities at each stage in a comprehensive theoretical framework.

In the thesis, the term Marxist methodology is referred as Marxism, Marxist approach or Marxist political economy depending on differential contexts that it explained through Marxist methodology. This multiple usage comes from the fact that the term is a very comprehensive one and includes different meanings inside. Philosophical basis on dialectics, importance of historical materialism and political economic aspects of Marxist methodology can be mentioned as examples of changing uses. To this end, this chapter aims to clarify the term by bringing definitions at different dimensions of the analysis. But more importantly, out of this complexity, the chapter searches the opportunity of finding definite, concrete research tools that can be utilised for the analysis of different case studies. For these purposes and more, the chapter seeks answers to the following question;

- What Marxism means?,
- Which research tools do Marxism provides?, and
- How Marxism can be applied to other researches as a specific research method?.

The chapter is divided into three parts. In the first part an overview about Marxism is provided. The second and third chapters exhibit some details about Marxist methodology by exploring its dialectical and political economic dimensions. The last part of this chapter is devoted to the adaptation of Marxist approach to a case study research. In this final section, the case study of this research is defined and justifications about this selection are provided to the reader.

3.1. Marxism

Marxism means the study of, different forms that human production activity take in capitalist societies, the transformations of these forms, how these transformations are misunderstood, and how the power is imposed on people relying on the forms and transformations through the utilisation of misunderstood transformations and forms (Ollman, 2003:77-8).

Some people consider Marxism as a science or as a method of investigation. Some others think that Marxism is a doctrine (in a positive sense) or as a dogma (in a negative sense). From some point of view it is just a vision while from another it is a strategy for revolution, for a better vision. Ollman (ibid.) considers Marxism as "an unusual, perhaps unique, combination" of all these ideas which exist both intertwined, and mutually dependent within Marxist framework. With all these equipment, Marx focuses on the capitalist system. He analyses the origins, the present condition and the future of the capitalism.

The way Marx describes capitalist system is not limited with the economics or with its social connotations. He considers the capitalist system as a very complex system covering different aspects of human life from economic to social, from cultural to recreational aspects. Due to this comprehensiveness, Marx puts capitalism at the centre of his investigations and analyse it comprehensively in compartments. To this end the present example can be considered as one of the few examples realising this combination in an analytical way.

According to Martell Ollman (1982), one of the most prominent Marxist thinkers of our time, Marx majorly benefited from three sources in constructing his line of thought and methodology. The primary source he utilised was German philosophy. Although Marx later modified dialectics according to his point of view (made it upside down), he based his ideas on dialectic way of thinking originated from the works of a German philosopher, Hegel. Secondly, Marx was highly influence by the works of two British political economists, Adam Smith and David Ricardo. Although Marxism differs considerably from the way how these thinkers describe the capitalist system, they were no doubt considered important and valuable sources describing the capitalist system. The works of both Smith (1776) and Ricardo (1817) illustrated how capitalism was functioning but more importantly exemplified how contradictions of the system were naturalised and internalised through political economic works. Thirdly and finally Marx was highly influenced from French utopians, especially from Charles Fourier and Comte de Saint Simon. Utopias they produced helped Marx to imagine and believe in a better future beyond capitalism.

When Marx's works are analysed with an aim to find out a definite research methodology one got disappointed. Although Marx utilised a highly sophisticated, multi layered and consistent research method in all his researches, he hardly mentions about the details of this method and only provides key words. This difficulty encouraged many of his followers first to understand and then to develop Marxist methodology and to apply it different areas of life.

One group of works focuses on specific subjects and develop methods with reference to this focus. Lukacs's (1919-23) "History and Class Consciousness", Poulantzas' (1969) "The Problem of the Capitalist State", Miliband's (1970) "The Capitalist State", and again Miliband's (1969) "The State in Capitalist Society" are some of the Marxist studies analysing a compartment within capitalism. Another group of works aim to develop a much comprehensive methodology to deal with broader aspects of capitalism. Sekine's (1986) "Dialectics of Capital", Bhaskar's (2008) "Dialectic" and (1997) "A Realist Theory of Science" and finally Bertell Ollman's numerous works can be mentioned among those comprehensive approaches to Marxist research. Following Harvey's (1973) remarks at the end of the Social Justice and the City, the author will base the methodology mostly on the works of Bertell Ollman (1978, 1982, 2003) and utilise it to conduct my case study research.

In Ollman's works, Marxist approach is based on two main pillars. The first one is materialism and the other one is dialectics. For now, the author will deal with the issue of materialism as it constructs the basis for Marxist approach and include history into Marx's materialist approach and try to define what historical materialism is. Then, Marx's dialectical point of view will be presented. Finally the conclusion will consist of the steps that Marx followed to conduct his researches.

3.1.1. Historical Materialism

Materialism lies at the heart of Marx's works as he believes that materials needs and desires are the basic motivations that mobilise all social, political and economic relations within societies. Materialism not only covers the monetary aspects of life as it also involves the circulation, distribution and accumulation of human resources, commodities and wealth in general. Marx primarily interested in the production function as he believes that everything starts with the production. With the production raw materials transforms to commodity with the utilisation of means of production and labour power. Again, with the production the wealth is created and in accordance with the social relations in the production process wealth is distributed among different social and economic groups which form classes. Marx also recognises the existence of other class based societies before capitalism but he focuses on

the industrialisation period of capitalism when all social, economic and political relations were changing and forming a very complicated social and economic structure (Ollman, 2003:122).

Based on this materialist approach, Marxist thinkers separate into two groups. One group, also known as economic determinists, made up of thinkers underlining the supremacy of economic conditions over the determination of other conditions (social, cultural, etc.). On the other side, a second group is formed again from other Marxist thinkers who believe that the material conditions has to put human factor (thus classes) on its basis. But As will be discussed n detail later, rather than the dominance of one school of thought over other, Marxist approach produces a solution out of this conflict and claims that materialist thinking encompasses social and economic aspects of life at the same time and deals with the dialectical relationship between the two (ibid.:132)

It was said that Marx primarily concerned with the capitalism of the early industrial area. As a comprehensive researcher Marx knew that whatever observable in early industrial era were both the product of the past and source for future developments. This point of view introduces historical perspective to Marx's materialist approach. Ollman argues that Marx starts his investigation from the observable results and develops his research with preconditions. Knowing how the story developed, at one side, allows researchers to discover the relationships and interactions that produce observed results of today. On the other side, this helps researchers to identify points that the research needs to focus, findings that are necessary to gather and to interpret obtained findings. This puts observations on the basis of Marx's approach and makes it deductive considering its scope. Ollman further argues that what Marx is looking for is a 'fait accompli' and that the only way to understand this is to make a retrospective research (ibid: 141).

Historical materialist analysis of the present time does not only cover the attributes of the past. It has also reference to the future as the present time is considered as a necessary stop before reaching the future. Future, on the other hand, is not only conceptualised as the offset of present events. Future exists in all aspects of the present as a potential happening. Containing the signs of the past, the present can be represented as the past of the future. About this, Ollman argues that it is only possible to fully comprehend what present is, one needs to position present between past and future; and give equal importance on both sides (ibid:146).

According to Ollman, this dialectical process of investigations ("dance of the dialectics"), occurs in 4 continuous steps. It starts from the present in search for the important

connections that characterise the present condition of the capitalism. The research than focuses on the past (a step backwards) for the discovery of preconditions that created present connections. With two steps forward, the research moves to the future in order to project present social contradictions into the future and to envisage their resolution. With a step backward, the research returns to the present but on a higher level. Here the researcher has to reorganise findings, reconsider the preconditions of the past with the light of future possibilities to re-comprehend present.

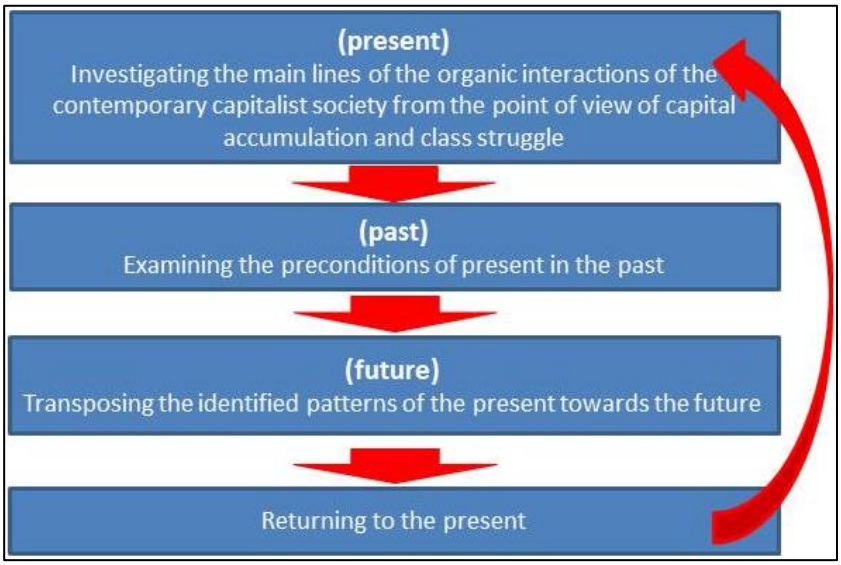


Figure 14: Dance of the Dialectic, simplified version (simplified from Ollman, 2003)

3.1.2. Marxist Dialectics or Dialectical Materialism

Dialectics which was once utilised by Hegel to explain the process of thinking turned into something very ‘material’ in Marx’s hands. By making the dialectical thinking upside down and erecting it on its feet (rather than on his head), Marx produced a tool to understand the very complicated human world which is made up of interdependent and constantly evolving processes. In Ollman’s (2003) words, “the forms in which the world appears to our senses are "relative" and "transient", but they are also said to possess "likely characteristics" which allow us to generalize from them.

The first step to implement dialectic thinking process necessitates an understanding of the relationship and interaction between the totality and its parts. It starts by putting totality into the focus. The relationships and transformations forming the totality become inseparable parts of it. These relationships and transformations add an internal contribution to its existence and give way to analyse the whole in a comprehensive way. After the identification of the totality through the discovery of its internal relationships and interactions, the second

step covers its deconstruction. Here the totality is dismantled into its parts (or patterns where interactions and relations happen) and to reduce complexity, these parts are grouped into dialectical categories. It is only with the help of these categories that one becomes able to give a meaning, position and direction to the totality; locates the totality within a much broader system; and starts to comprehend specific conditions and problems.

After decomposing the totality at a further step, one focuses on the parts of the whole in the same manner that the totality is analysed. Once relationships and interactions forming the parts are discovered, they are then utilised to discover the relationship between the parts and the totality, to understand the functioning of the whole and its development, and to discover in which direction the whole is evolving. In Harvey's words,

> "The elements within the structure are therefore regarded as expressing certain transformation rules through which the totality itself come to be transformed. In other words, the totality is in the source of being structured by the elaboration of the relationships within it" (Harvey, 1978:289).

The initiation of the research from the totality and its move towards the parts can also be seen in the way how Marx describes his method. Marx (Mentioned in Ollman,2003:42) underlines that his method is developed from the "concrete truth" and evolves towards the "ideal truth". The concrete truth refers to the world we are living in with all its complexities. Ideal truth, on the other hand, represents the reconstruction of this world with the concepts produced out of Marxism. This process assumes that thinking on a reality starts from dividing it into observable parts. Marx calls this process abstraction. According to Ollman (ibid:48) the abstraction process not only defined with the concepts of Marxism but also takes shape in relation without experiences, personal desires, group interests and social limitations. We establish relationships between these categories and group parts in accourdance. This adds a different dimension to the things, enable us to see it in a different way and more importantly facilitate our understanding (ibid.). Ollman further elaborates this through the philosophy of internal relations which has its roots from Leibniz, Spinoza and Hegel.

3.1.2.1. Philosophy of Internal Relations: The Relationship Between The Totality and Its Parts

Relationships and identity are the key concepts of the philosophy of internal relations. The philosophy is based on the idea that relationships between the parts forming the totality are

also present within the parts and contribute to their formation and existence. The aim here is to demonstrate that the form of unification of things is the essential part of their existences.

Totality covers the parts while parts are also totalities of different sub-parts that exist in relation. This makes totality as a logical description which makes it a type of existence made up of interrelationship between its parts. Within the philosophy of internal relations, relational perspective occupies very important position as it is considered as the source of all dynamism. Piaget (1970:9) underlines that it is neither the elements nor the whole that allow researchers to understand the structure but it is the relations among elements that offers the opportunity to understand. For Piaget it is neither the totality nor the parts makes the structures. For him, it is through logical procedures or natural processes (relations) that the whole is formed primarily (ibid.). Beyond logical definitions, Marx utilises relations as ties between two parts that seem to be separate within a definite moment. Identity represents a level of abstraction in which parts and totality can obtain different meanings in accordance with the level of abstraction. All parts seem identical when they are not abstracted from the totality. Differences only appear when parts are abstracted from the totality and when their different characteristics are displayed. So, as totality comes prior to parts, identity comes prior to difference and the existence of one condition does never contradict with the other as they all exist together and are tied with internal relations (ibid:78). So as things, Marx approaches to the reality from the same perspective. According to Ollman (1978:8),

> "Twin pillars of the Marxist ontology are his conception of reality as a totality of internally related parts and his conception of these parts as expandable relations such that each one in its fullness represents the totality"

Ollman (2003:81-2) claims that those focusing on appearances and basing their deductions on them are limiting their views with the conceptual abstractions that are only based on these appearances. But there also exists a world out of the border of our perceptions. Those people concentrating on appearances mostly ignore this fact and consider relations and objects of this 'second' world as difficult to understand, insignificant and mystic. Recognising this, Ollman argues that this kind of approaches have an ideological basis which aims to upside down real relations in one way or another. Whereas Marxism not only deals with perceptible relations but also, and may be more than perceived ones, focuses on unperceivable relations of life.

Parts and totalities exist together and connected to each other through relations. This makes a system of internal relations which is in the process of being structured through the

operation of its own transformation rules. As a consequence of these rules parts and totalities are assumed in constant transformation. Parts transform through changes in their internal relations. While its parts are transforming, the totality transforms as well. Changes in the structure of totality have also implications on its parts and cause to their re-transformation. In Harvey's (1973:289) words;

> "The relationships between elements within the structure are therefore regarded as expressing certain transformation rules through which the totality itself comes to be transformed. In other words the totality is in the course of being structured by the elaboration of the relationships within it"

The totality seeks to shape the parts so that each part functions to preserve the existence and general structure of the whole. To illustrate, capitalism as a totality, seeks to shape elements and relationships within itself in such a way that capitalism is reproduced and continues. Before and after changes, each element keeps reflecting all the characteristics of the totality because they are always the locus of a set of relationships within that totality.

Transformations are important as they indicate to a continuing evolution and transformation of the observed object (Coleman 1968:429). In the philosophy of internal relations, similar to each concept, the transformation reflects the condition of an object at a definite point in time. The condition is thus located in the process of transformation and reflects a difference between past and future. Marx approaches to the question from a different perspective. Rather than separating transformation, process and object; he argues that the processes are parts of how things are happening. He includes the process into the concept of things or describes the concepts through processes. In this regard, capital for Marx is not just an appearance. It also covers the previous forms that capital took shape, its development pattern, its history, the context in which it is formed. For Marx; its past, its future, and processes contributing to its formation and development are inseparable parts of a thing. Ollman (2003:55) further argues that any attempt to differentiate processes from things will harden the observation of things that are in constant evolution. As an illustration, if one returns to the utilisation of capital in Marxist sense, the capital needs to be understood together with its first appearance in the scene of history, different purposes of its utilisation, different forms it has taken and transformations it has experienced. Due to established relationships around the capital, the concept has to cover the concepts of monopolisation, exploitation, relations of production and their interrelations.

Furthermore, in conventional logic, processes and transformations do not taken into account in the description of things. Things are either identical or different. But, for Marx (1991: 491), things transform and establish different relations. Things have composite or dynamic descriptions which allow them to cover both identical and contrasting properties at the same time. In this vein, and as practiced in the coming chapters, production cannot be explained without consumption and reproduction. The supply will not have a meaning without demand or capital can never be understood without labour processes. Acknowledging the dynamism of the real world, Ollman (2003: 289-90) argues that Marx; rather than finding causes, in isolation, with presuppositions of atomistic association, with the identification of "stages" or "descriptive laws" governing the evolution of totalities, independent of their parts"; focuses on discovering the transformation rules within the societies, as societies are constantly being restructured.

In Marxist approach transformations occur at different intensities. Minor intensity changes cause quantitative transformations whereas high intensity changes may lead to qualitative transformation. The intensity is related with the number of changes within the components of a totality. Through changes in its components the totality changes gradually. When the number of changed components reaches to and passes the critical level, their relationship between the totality cause a qualitative transformation which affect the form and function of the totality. In Marxist terms, capitalist system has encountered with numerous changes and modifications. Marx believes that these changes, when reached to a certain point cause to a structural change within the system, lead to the abolishment of capitalist totality and contribute to the creation of a new totality called socialism which has different parts and interrelations.

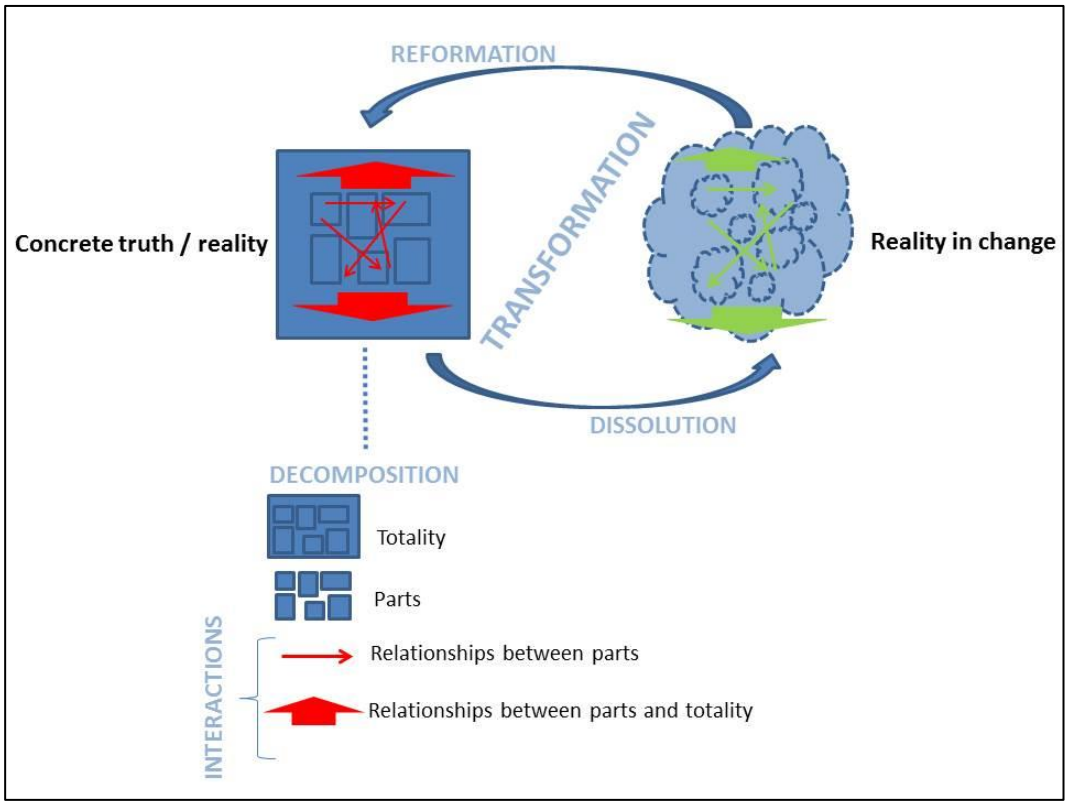


Figure 15: Totality, parts, relationships and their transformation

3.1.2.2. Contradictions

It was mentioned that relations lie on the basis of philosophy of internal relations and occupies a very important role beyond totalities and parts. This importance necessitates a focus on the nature of these relationships. Relationships do not exist necessarily in harmony with each other and they are often in contradiction. Transformations occur through the resolution of these conflicts and with each transformation the totality is restructured. As a result the totality receives a new definition, meaning and function so as elements which are in in relation with the whole. This new happening creates new conflicts and contradictions. In the same vein, Marx proposes to observe societies (as totalities) based on established contradictions established both within and between structures. Contradictions cover both totalities and parts. Parts can be contradictory to each other while totalities can be contradictory both to its parts and other totalities. To illustrate with an example, one can mention that while there exist contradictions within a society (intellectuals and workers) and contradictions between societies (enemies).

According to Ollman (2003:90-2), there exist five movements of contradiction;

1. Movements of mutual support: two contradictory parts exist in mutual dependency. Capital gives birth to alienated labour and labour serves to the needs of the capital

2. Movements of mutual undermining: two contrary parts exists in constant conflict. Capital's irrepressible hunger for surplus value may lead to the exhaustion of the labour. At the same time labour's demand for better working conditions and less working hours may produce negative outcomes to capital. These first two contradictions are especially emphasised by Ollman as they are thought to represent main characteristics of the concept of contradictions.
3. The intrinsic development tendency of the pillars of the contradiction: the growth of a system inevitably leads to the growth of its contradictions. The more capitalism develops, the more inequalities will be observed, the more problems will occur and the more system approaches to the socialism.
4. Holistic transformation of processes within a system through the interaction with other processes: this illustrates the ordinary pattern of transformation through interaction with external sources. The contradiction between labour and capital first transfers to the contradiction between use and exchange value. Then from this moment the contradiction moves to the contradiction between commodity and money to reproduce itself again on capital-labour contradiction.
5. Transformation of the contradiction and relations within the processes during the resolution of the contradiction: this movement represents the dissolution of a contradiction as a result of the dominance of one side of it over the weaker side. The dissolution may be temporary/partial or permanent/comprehensive. Economic crises can be considered as examples of the first case while socialist revolution exemplifies the second.

3.1.2.3. Abstraction and its levels: extension, level of generality and vantage point

At the beginning of the chapter it was first acknowledged that the world is a very complex system composed of different parts. The first thing Marxist dialectics suggest understanding this complexity is to divide it into its components. Not separate from this first step this section introduces a second method, abstraction, to identify, group and comprehend components separated from a totality. Abstraction is the way how Marx utilises dialectics. And, Marx utilises abstractions to understand mainly the changes and interactions. These two elements become inseparable parts of his process of abstraction (Ollman, 2003:45 and 72).

Abstraction process starts first with the development of certain extensions which both appear as spatial and temporal. "In abstracting boundaries in space, limits are set in mutual integration that occurs at a given point in time. While in abstracting boundaries in time, limits are set in the distinctive history and potential development of any part, in that it once was and

is yet to become" (Ollman, 2003). Secondly, each abstraction creates a boundary around and functions within a particular level of generality. This level works to distinguish parts from totalities by focusing on diverse levels of difference and similarity. At the one side, when similarities are maximised, it becomes impossible to distinguish the part from the totality through abstraction as everything becomes similar between the two. On the other side, when differences are maximised, the abstraction again does not work as the part becomes completely apart from the whole, having no connection with it. Ollman explaining the way how Marx abstracted capital indicates that;

> "Marx gives capital an extension in both space and time as well as a level of generality such that only those qualities associated with its appearance and functioning as a phenomenon of capitalism are highlighted (i.e., its production of value, its ownership by capitalists, its exploitation of workers, etc.)." (ibid)

Thirdly, Ollman mentions about the utilisation of a vantage point in the process of abstraction. It is through this point that the researcher views, thinks about and brings together other parts of the relationship. Furthermore, it is through this vantage that the researcher looks to the larger system. The abstraction of unified relationships provides a beginning for research and facilitates performing analysis and developing perspectives. Each new vantage point provides a new perspective to approach to the observed thing. With each different view significant differences can be perceived, different orderings can be made. Thus according to different vantage points, the sense of what is important differs.

Ollman (2003:119) argues that vantage point represents a class position. Labourers take their vantage point from their daily life practices which include factory, machines and work. In contrast, capitalists have different vantage point which puts price, competition and profit at its centre. Mannheim (1936) also acknowledges this fact and claims that humans abstract reality, and develop ideas and concepts in relation with different class positions. Therefore, one needs to be aware of different class structures behind the concepts produced and used within researches. Thinking about the concept of injustice reveals such differences in vantage points as it represents different things from labourers' and capitalists' point of views. According to former's vantage point while situations of injustices represent contradictions of the capitalist system and its unsustainability, latter approach considers injustices as temporary interruptions within the system or as natural processes resulted from differential distribution of wealth. Marx indicates that the labourers' point of view reflects the conditions of everyday life much more objectively and accurately than capitalist/bourgeois point of view. Labour experience only includes the information about and necessities on the continuation of

daily life whereas capitalist experience is full of delusions and mistakes. Ideologically, the class position of labourers add very little to the formation of their vantage point but capitalists have to rely on ideology to establish and spread false consciousness in order to sustain a system based on crises and injustices. Marx claims that the creation of false consciousness (backed with adequate researches) not only supress labour point of view but also equip capitalists with false information and orient them in wrong directions. In sum, Ollman underlines that each class establish its own perspective to understand the society and the perspective that capitalists develop is mainly based on hiding or distorting the truth, rather than on an attempt to reveal it (ibid:119).

In abstracting capital, Marx defines the extensions of his research with a focus on Europe and with an emphasis on early industrial times. Capitalism, however broad it is, represents his level of generality. It is from the vantage point of production that Marx approaches to the larger system, its components, and relationships. Within this framework, Marx avoid limiting himself with the borders of categories he developed to understand the capitalist system. Instead, out of his abstractions he produced a good bunch of new categories and his followers pick different concepts according to their vantage point. For Lukacs the key concept is the wholeness, while for Mao it is the contradiction. Dunayevskaya underlines the importance of negation of negation and Meikle gives emphasis on the concept of matter. As can be noticed the key concept becomes internal relations for Ollman.

Thinking the transformation of a thing and of forms it may take in the future as inseparable components of its existence and considering all these elements as a single process do neither prevent Marx from abstracting a section or a moment of it for a specific purpose nor obstruct him to consider this special section as an independent research object (Ollman, 2003:57). Abstractions of Marx, considers the early industrialisation period and within the context of this period these abstractions interacts, transforms and constitutes a totality. The aim here is to identify what capitalism is, how it works and what kind of totality it represents (ibid:53). Furthermore, Marx's abstractions are not the things but processes. Processes, being parts of other processes sometimes both encompasses other process and reflects some others. Within a given time period, all process evolve together. Each process defines another and is defined by some others (ibid:61). But as Marx points out, some processes have much bigger effects than others. He signifies this asymmetry by using expressions like "cause" or "determine" (ibid.).

Ollman (2003:95-7) mentions about seven levels of generalisation in Marx's researches. These are also considered as levels of abstractions (ibid:100).

1) Individuals: At this first level, abstractions are directed particular humans or situations. The particularity can be 'Napoleon Bonaparte' if the research focuses on individual persons or 'the invention of steam engine' if individual events are considered as focal points.
2) Capitalism in the early 19th century: This level represents some communality that exists among a group of people, among their activities and among their products. At this abstraction level, individuals and events analysed separately previously, are grouped together. Individuals become engineers while particular events are generalised as 'the period of industrial revolution'. The abstraction level here is more general than the first one but still encompassed by the generality of the third level.
3) Classic Capitalism: This level represents the focus point of Marx's analysis. At this stage the peculiarities of humans, human activities and their products are put under investigation on the basis of their appearance in the capitalist society. The social focal point becomes the relationships between workers, between workers and employers. The activity focal point can be the paid labour and the product focal point may be the commodity and value.
4) Class based societies: this level of abstraction is related with the period of time when societies were first started to be divided according to division of labour. This phase represents social, activity and product based communalities of five to ten thousand years of human history. Capitalism, feudalism or slavery can be viewed on the basis of this perspective.
5) Human society: At this final and most general stage of abstraction humans, human activities and their products are grouped together on the basis of common human factor.

The level of abstraction to be utilised depends upon the subject matter one needs to deal. If one deals with the issues of social inequalities, exploitation, unemployment, social alienation or imperial wars in a comprehensive way within a consistent totality, all issues can be abstracted on the basis of capitalist system and can be analysed from this level of abstraction (Ollman: 2003:100). This does not prevent researchers to choose more than one level of abstraction or switch between them. On the contrary, as Marx does, this move between different levels of abstraction broadens the perspective of the researcher and enables one to grasp various dimensions of the same reality. Ollman indicates that a person looking to find sources of a definite problem but got stucked either on the first or fifth level of abstractions have no choice other than blaming individuals or the whole humanity.

Observations seen in different levels of abstraction are neither the examples of the general laws of the dialectic nor their implications. Ollman underlines that laws of the dialectic do not have the power to explain, to prove or to predict any event. Furthermore these laws cannot predict any happening or envisage its past. Rather, Ollman suggests that these laws have to be considered as tools to observe the most common forms of transformation and interaction exiting within a level of abstraction. These laws can also be utilised to organise the world of these transformations and interactions and to intervene into it (ibid.:110).

3.1.3. Marxist Methodology

After presenting the tools of the Marxist approach, the author would like to now focus on Marx's method of conducting a research. According to Ollman (ibid: 162) the method represents the way how Marx conceives and explains the reality. This is the way how he organise his findings and how expose them. Based on these premises Marx's method can be followed in five steps that continuously repeat themselves.

1. Ontology
2. Epistemology
3. Research
4. Philosophical reconstruction
5. Exposition
6. Praxis

Ontology looks for what is the truth and the philosophy of internal relations lies at the heart of Marx's ontology. In Marxist ontology, whether we experience or not there exists a world separate from us. This presupposition brings the questions about the parts of this world, how these parts are interacting and bringing together, and what constitutes the totality of these parts. The most distinguishing point of Marx's ontology is that it comprehends the totality as it is composed of internally related parts and that these parts can be expandable to represent the totality to a degree that they can change every relationship they enter and thus the totality (ibid:163). Marx conceives things as social realities or relations. And utilises the laws of the dialectic to reveal which relations are important or significant within the broader set of relations and interactions. Among the most important laws of the dialectic it is possible to mention these three that are discussed previously in detail;

- Transformation of quantity to quality
- Togetherness of contradictions and their transformation to each other at the extremes
- Development through contradiction or negation

Epistemology deals with the ways how information is obtained and organised. If ontology serves to discover parts of the world, epistemology focuses on how this information can be conceived. Epistemology of Marx has four steps:

- Perception is beyond the abilities of five senses. Reality is far beyond what we can see or hear.
- Abstraction is the way how realities are generalised (discussed previously).
- Conceptualisation is the translation of the abstraction into notions that enable communication and comprehension.
- Orientation, the impact of abstractions on Marx's approaches, beliefs, future perceptions and on abstractions themselves.

Research is the way how Marx searches and finds the things and the way how he conceives them. As his main topic of investigation is capitalism, at each stage of his research he considers this. It is within the capitalism that Marx tries to explain interrelationships through social relations. His research covers the relationships of today but also includes the form they took in the past and the form they will take in the future. Within this time line, Marx starts his research by focusing on material production which he considers as the source the conditions of the production of the social totality. For this reason, in his research, among all other social relations, economic factor plays a significant position. Independent of time and space, and independent from the nature of the question Marx investigates the economic conditions and the practicalities of these conditions (ibid:173-4). But according to Ollman (ibid.) all researches including the Marx's, are condemned to stay unfinished as a puzzle which has an infinite number of pieces.

Ollman (ibid:175) also underlines great diversity of sources that Marx utilised to conduct his various researches. Governmental reports, questionnaires, surveys, polls, fictions, newspapers include some of these resources. In collecting the data Marx focuses more on what kind of information is worth collecting and what are the assumptions do data collection methods have. He never separates the process of information gathering from social realities. As Ollman rightly points out, faced with a social behaviour questionnaire, although how many questions were posed Marx would not be convinced about the 'scientific' validity of the questionnaire unless the false consciousness ruling to population disappears (ibid).

Philosophical reconstruction is consisting of those secondary documents that Marx utilised to brighten his mind in the face of complicated subjects. As seen in 1844 Economic and Philosophical Handwritings and in Grundrisse, these documents reflect the background of his main researches. Through this philosophical reconstruction process, Marx was able to trace

some continuing communalities that lie on the basis of the capitalist social structures. Through these consistent communalities, Marx becomes able to relate a harsh punishment to simple bread theft act and imperial desires on the exploitation of overseas populations. The ability to make such interconnections between events that first appeared unrelated separates also radical researchers from liberal ones. Liberal researchers divide and compartmentalise social problems and tend to investigate them as independent and incidental events. Because liberal researchers do not consider these parts as a part of the broader system capitalist system) and as interacting and ever changing sub-structures, they can never reach to the production of adequate and persistent solutions to the observed problems. In Ollman's (2003:180) words they often end up with oscillating between just criticising such negative happening or completely losing hope towards their solution.

The process of reconstruction resembles to a check point within the broader research process. This reconstruction does not only provides insights and backgrounds for the conceptualisation and understanding of the world phenomena but also give the researcher the possibility to check his findings one more time. With reference to the philosophical reconstruction one may need to go back to previous stages to correct or redefine already obtained information, categories or concepts.

It is also possible to view this stage as the implication of dialectics to the ideas and concepts. We start observing totalities and through the abstraction of its internal relations obtain concepts and ideas. Once their peculiarities are discovered, these concepts and ideas are reused to re-define the totalities. When the totality changes, with the utilisation of same dialectical process, it leads to the production of new concepts and ideas. So concepts and categories cannot be viewed as having independent existences or as being universal abstractions true for all time.

In the exposition stage of the research Marx exposes all the materials, findings and explanations he developed. But rather than a finish, it refers to a restart to the research. In the exposition process Marx comes to such a concluding point that the research has to be re-performed as the way how he first perceived and conceptualised the system has changed and necessitate inclusion of other parts and relations. This part of the research although resembles to the stage of philosophical reconstruction, Ollman (ibid: 182) argues that both stages differs. The exposition process works as a mirror on which the capitalist system can be reflected as a totality. But as the capitalism that the research described is just a reflection it can always be perfected. The reality is always changing and its complete comprehension

requires endless attempts. Ollman reminds that for this reason, Marx had to revise Capital a couple of times and were thinking about revising it again just before his death (ibid.)

Despite constant returns within the research Marx emphasises the stage of praxis within the research process. Marx believes that attempts to understand the world, its parts, relations and mechanisms have only meaning unless they are utilised for some practical purposes, as Marx puts it "to change the world". Those findings, although subject to change, have to be internalised through institutions and processes of capitalism, through its social and economic activities and work for the abolishment of it. Thus, the praxis stage also brings researcher the responsibility to transmit obtained knowledge to the society to unveil people's minds from bourgeois false consciousness and to show them the realities of life from Marxist point of view. So, with the help of the praxis stage established concepts and ideas that characterise material forces in production become abstractions that carry the potential to transform practice (Ollman, 2003:297).

Considering social and economic conditions that give birth to concepts and ideas, it becomes impossible to separate the meaning of concepts from their contexts and from the point of views (vantage point). With praxis Marx adds another dimension to this and assigns an active role to them both to understand the world and to transform it. This is how Marx use categories and concepts rather than used by them (Harvey: 1973:298).

3.2. Marxist Political Economy

> "Philosophers have only interpreted the world in various ways, the point is to change it"[7](Karl Marx)

In this research the Marxist political economic approach is followed. According to this approach, the existence and continuity of humanity depends upon meeting the material needs like food, clothes, shelter, etc. Thus, the material factors form the basis of existence and continuity of human generations. This assumption does not exclude the importance of social, cultural or physiological factors (as happened in the determination of needs) but gives special emphasis on material relations and underlines the importance of these relations in the formation of social, cultural and psychological factors. Based on these claims, political economic approach brings together those economic relations between humans and relevant policies affecting them[8]. Nikitin (2005[1966]:26) describes political economy as the science

[7] Mentioned in Fedoseyev, P.N. (1990) Karl Marx: A Biography, Progress Publishers, 4th edition:83

[8] The word economy, as we know today, was once commonly described as political economy. But in the course of time the "quantification of economics" or as İnsel (2006[1993], 2011[2004]) points out in his critique of economic

investigating the development of economic relations between humans and adds that political economy focuses on the analysis of the policies influencing the production and distribution of material things in different courses of their development process.

What differs Marxist political economy from other political economic approaches is its focus on production and its differential interpretation of policies attaching economic conditions to social relations[9].

Marxist political economic approach brought together the analysis of all social and material elements affecting the production process and grouped them within the term "mode of production". Following Marx, mode of production is divided into two sections. At one side, the relative position of different sections to each other is conceptualised within the term social relations of production. This covers the subjects of ownership patterns over the means of production, the relationship of different social classes and the distribution of material things among social classes. On the other side, mode of production is considered as the product of productive forces. Humans participating to the production activity and the materials they are using for the production (means of production) are two components of the productive powers. For Marx, both the relations of production and productive powers are subject to change in the course of time through human agency. So, social relations causing such changes transform as well in relation with the relations of production and productive powers (Nikitin, 2005[1966]). As a result, Marxist political economy deals with the mechanisms operating within this dialectical transformation processes. Viewing this, Lenin (1988[1908]:46-7) approaches from a different angle and points out that, instead of production itself, (Marxist) political economy deals with the social relations among people existing within production, or in other words, concentrates on the productive structure of the society.

Based on these premises and different from previously mentioned approaches the Marxist approach necessitates moving beyond the descriptive stance and emphasises the importance of policies and procedures producing them. Instead of focusing on drawing a picture of observed situations the Marxist approach aims to investigate and discover mechanisms and actors creating these situations (Nikitin, 2005[1966]):26-7). From this

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man, the sophisticated utilisation of mathematics and statistics and their adoption of highly abstract models and assumptions, at one side contributed to the field of economics to have claims over its scientific validity or to become a science, on the other side distanced economics from social and political concerns, thus from the reality of life. As a result, the term political economy started to disappear while terms like econometrics or microeconomics occupy important positions in scientific milieus.

[9] Fine (2010), İnsel (2006[1993], 2011[2004]), and Eğilmez and Kumcu (2011[2002]) argue that the main criticism points directed to conventional (neo-classical) political economic approaches are based on their assumptions over the balanced economic conditions, the presence of perfectly rational agents and their consequent move away from social realities. I do not want to divert the discussion towards this point and prefer to keep focusing on the Marxist Political Economic approach.

perspective, the approach resembles the studies performed within the field of economic theories as Marxist studies also emphasise the importance of economic factors in determining socio-spatial structures and their consequences. But different from conventional economic theories, that mostly departs from liberal equilibrium economics, Marxist analysis focuses on the unequal nature of economic relations which has its roots in the production process which is controlled by the owners of capital. In this situation the state (both at the local and national levels), as the principal actor, plays an important role in the determination and implementation of policies. As presented above through the ideas of different Marxist thinkers, including Lefebvre and Castells, the state is also the siege for the class struggle but practical realities keep reminding us that most of the issues reflecting the conflict between classes are resolved for the benefit of capitalist classes.

In sum, while most of the liberal political economic approaches are focusing on the local problems as temporary equilibrium distortions, or as unique information deficiencies or, as Fine (2010:239) puts it "microeconomics of market imperfection", Marxist political economy approaches to the questions in a comprehensive way. Comprehensiveness involves the utilisation of dialectical process mentioned above and situates the question in its spatial and temporary context with a historical past and probable future, with all its social, economic and political connotations.

Fine (2010:238) argues that the mainstream political economic research milieu enclosed itself within an illusionary and happy world. This milieu, no doubt, stays away from realities of the world and cannot deal with the problems of the society. But it is filled with joy originating from the vast potential for publication, promotion and academic self-satisfaction. This approach also creates an environment of "economic imperialism" (ibid.) not only negatively affecting the development of the field of economics but also negatively contributing to the solution of ever increasing social and economic problems that we are facing today. A recent attempt can illustrate all situations and worries mentioned above. Faced with the crisis situation, that originated from speculative and individual profit seeking activities of the credit market, major actors identifying national political economic interventions decided to call their nation state for action. The call, no doubt, was a demand for huge transfers of governmental subsidies to financial institutions, and consisted of cuts from public spending and public works in return.

Marxist political economic perspective, with its method of analysis and concrete suggestions for a better future, seems to be the only comprehensive framework standing against attempts to keep capitalism working. Instead of focusing on small interventions and developing

incremental methods of analysis, Marxist approach offers a systematic analysis of the capitalist system and provides path to change it structurally. The utilisation of Marxist political economic approach becomes much more important in today's world of increasing inequalities that are visible at various scales including global, regional and urban. In believing this, within the framework of this research Marxist perspective is utilised to interpret social, economic and political relations between people and especially to analyse the role of local and national governments in the production of policies affecting the production of urban retail environments and in their treatment of urban inequalities.

3.3. Application of Marxism (Method And Political Economic Approach) to a Case Study

> "Marxism enjoys a theoretical advantage (and one might add, a moral vulnerability) because of its possession of a comprehensive and articulated set of concepts and hypotheses about the principal lines of historical development as a whole" (Katznelson, 1992: 28).

> "Marxist approach offers a systematic and coherent set of suggestions about the relationship of nature and society, and about which social processes count and how they should be studied (ibid.: 27).

This part of the research aims to create the bridge between theoretical discussions and practical investigations. To this end, this section will provide how concepts and research criteria of Marxist research method are adapted to the present research and which preferences are selected in conducting it. The process can be summarised in two parts, one consisting of the methods of analysis and the other covering the determinants of the research.

	Marxist cannotation	interpretation	research application
Methods of analysis	historical perspective	focus on processes, changes and transformations	urbanisation process, production of urban retail environments, changes in unban structure, inequality formation processes, relationships between global, national, regional, and local actors
		describing the present situation	description of the current state of the urbanisation, urban injustices urban retail environments, political relationships, interaction between different actors
		historical analysis	historical development of urbanisation, urban injustices urban retail environments, political relationships, interaction between different actors
		future expectation	expected urban development patterns, the probable level of urban injustices, changes in the relationship between actors and mechanisms
	materialist approach	importance of economic relations	economic motivations behind retailers, consumers, policy makers and other third party actors
		inclusion of secondary social relations	social and cultural ties, ideological stance, psychological status
		class society **capitalists** seeking advantage in competition, aim to maximise profit, look for monopolisation **labourers** aiming to meet needs and desires for survival and social and material reproduction	new definition of class structure, diversification of capitalist and labour classes
			capitalists, retail capital, commercial capital, property investors, land owners, state technocrats
			labourers, consumers, new service class, students, government officers
	dialectical process	relations and interactions between the totality and parts	national government/local government, urbanisation process/retailing, injustices in the production process/consumption injustices, traditional retailers/organised retailers, well of consumers/disadvantaged consumers, free market
		structure / agency dicatomy	
		development through contradictions and negations	
Determinants of the research	extension	spatial and/or temporal focus	temporal focus: 1980's onwards, neoliberal policies spatial focus: Ankara within Turkish context sectoral focus: organised food retailing
	level of generality	level of abstraction of the case	2nd level, capitalism within neoliberal era interactions with 1st level (local, specific conditions) and 3rd level (principles of the classical capitalism)
	vantage point	class position, researcher's world view	labour point of view with critical realist perspective, special focus on urban injustices and inequalities
	research	methods of data extraction	single case study (case of Ankara), documentation research, archival records, descriptive statistics, geographically weighted regression
	exposition	exposition of findings, materials and explanations	statistical tables, maps, diagrams
	philosophical reconstruction	thinking about the research	recommendations for further researches
		praxis	policy suggestions

Figure 16: Methods of analysis and determinants of the research in Marxist methodology and their implication to the case study (application of the case specific conditions to Ollman's theoretical conceptualisation of Marxist approach)

3.3.1. Methods of Analysis

Methods of analysis correspond to the set of materials and tools that the Marxist framework provides to the researchers. It can also be considered as a mixture of methods that are available in the Marxist research methodology. These methods can be grouped under three heading; historical perspective, materialist approach and dialectical process. As details about these approaches have already been discussed previously, for here the author would like to just underline their principle components and give examples about their utilisation throughout the research.

The historical perspective starts with the description of the present situation and identification of contemporary mechanisms and interactions. To this end, the research starts with the determination of the current state of the urbanisation process, political relationships,

interaction between different actors and urban injustices. The analysis is then developed historically for the identification of the past forms of these mechanisms, processes and forms. After establishing the basis of the contemporary phenomena the research than focuses on future trend to identify the forms that observed processes will take in the future. This encompasses responses to the questions about the future of the urbanisation process or future of the urban injustices. As mentioned in each stage, rather than causal relationships, or identification of the parts, the historical perspective concentrates on relationships between parts, the processes they reside and transformations they experience. So, for example, rather than analysing an individual retailer, or retailing as an independent sector, to reveal relationships the research contextualise retail activity within broader economic system and spatialised the sector in broader urbanisation process to discover spatial implications of retail development process and its changes.

As mentioned before, materialist approach gives priority to material considerations in the construction of social, economic and political relations. Within this assumption, the actors functioning in a social system has material motivations. Capitalist classes have motivations over maximisation of profits, and monopolisation while labour classes' main aim is their survival through meeting their needs and through realising their reproduction. The type of society that tried to be identified here is a class society. It is through the interaction of different classes that the economic, social and political changes occur and history of humanity continues. Considering the case of retailing for instance, it has both internal and external contradictions being a composite class formation called 'retail capital'. The struggle between modern and traditional retail formats differs from struggle between shop owners and their labourers.

Finally, dialectical process is applied to the research to identify first the totality to be considered and then the parts constituting the totality. In dialectical process the relationship between parts, between totalities and between totalities and parts are analysed within structure agency dichotomy. This relational perspective obtains another dimension with the inclusion of developments through contradictions and negations. To illustrate the dialectical process one can return the example of retailing. Retail system, as a totality is subject to changes both with the changes in its parts (food retailers, individual retailers, etc.) and with its interaction with other systems (legislative system, politics, manufacturing sector, etc.). each relationship that is identified in the system encompasses opposing sides (modern retail formats/traditional retail formats) and interaction of these opposing parts transforms the retailing system.

3.3.2. Determinants of the Research

3.3.2.1. The Research Focus: Extensions, Level of Generality, and Vantage Point

Spatial extension:
Turkey can be considered as a very interesting case to analyse as the country carries the potential to represent the extreme or unusual conditions in its character. The peculiar character of Turkey can be traced through country's geographic, economic, politic, social and urban conditions.

To begin with Turkey is geographically located between Asia and Europe and used as a transportation gateway connecting both continents. Trade routes which were once the symbol of this unique position now replaced with political, social and economic dualisms that affect daily life in Turkey. Turkey always aims to be part of the developed world (Europe) and always considered as an exemplary developed country primarily among Middle Eastern countries and then for the rest of the under-developed Eastern countries, especially among the Muslim world. .

Economically, between developed and less developed countries Turkey exists as a developing country. With a 1,125 billion USD GDP (World Bank, 2010) Turkey occupies the 15th position among countries having the largest GDPs. Turkey is a founding member of the OECD and G-20 major economies which represent an account for approximately 80 per cent of the gross world product, 80 per cent of world trade, and two-thirds of the world population (G-20, 2013). Turkish economy grew with an average growth rate of 6% between the years 2002 and 2011 and increased its GNP per capita from 3.492 USD to 10.469 USD within same time period. As a result of these good economic indicators Turkey is considered as one of the world's best investment places. According to Central Bank of Turkey, the inflow of FDI in Turkey increased from 1,8 Billion USD in 2003 to 16 billion USD in 2011 with a peak of 20 billion USD in 2007 (ISPA, 2013).

Despite its fast growing economy and its international economic appeal, Turkey is faced with many problems including high amounts of economic injustices. The economic growth mainly supported by cash flows (also called hot-money) produced a record external debt of 350 billion USD in 2013 which was 129 billion USD in 2001 (Undersecreteriat of Treasury, 2013). This money flow utilised in non-productive purposes prevent the spread of wealth to larger

populations. Among OECD countries, Turkey has the highest Gini Coefficient[10] after Mexico (OECD, 2010). Considering European countries, Turkey has the highest percentage of poverty, with 22,8% (Buğra, 2010). Unequal nature of economic growth shows itself in many other areas including the development of income inequalities, decreasing standards of working conditions, increased unemployment rates (especially among young and women), difficulties in accessibility to education, decreasing number of social service and decreasing standards of quality of life in general. This dual character of Turkish economy reflects itself best in consumption practices. On one side, the market tries hard to meet the ever increasing demands of the affluent consumers with diversified product ranges. On the other side, disadvantaged consumers try to meet their needs within market conditions that consider affluent groups more and more.

Politically, Turkey is a constitutional republic in which both the national and local governments (municipalities) are constituted of elected members. Since 2002 Turkey has been ruling by the Justice and Development Party (AKP) government which obtained more than half of the general election votes in the most recent election. AKP constitutes the majority at the Turkish National Assembly and won the local elections in most of the provinces. This political power gives immense power to the party in the processes of decision making, in producing policies and in implementing projects according to developed policies. As indicated in its name, the party always carries and defends the concepts of justice and development and always aims to promote democracy. But, in a contrasting manner, since the formation of AKP in 2002, mainly based on economic disparities, Turkish population has started to be polarised socially, economically and culturally.

During this polarisation process, consumption activity occupied an important position being the major driver of the economy. Income based polarisation is further enhanced as a result of government cuts on social expenditures and privatisation activities. Strong ties between central and local governments create political monopolies and prevent other political parties or organisations to function actively in the political arena. As Buğra (2010) indicates, this creates another facet of inequality, that is called “representation incapacity”. As a result, instead of moving towards the formation of a more democratic and just society Turkey is now moving to a more authoritarian regime supressing human rights and democratic freedoms.

As a reflection of all these economic, social and political turmoil, recent urbanisation process in Turkey carries very interesting characteristics. In terms of demographics, the urban/rural

[10] An economic indicator that is used to define the gap between the highest and lowest income groups.

ratio in Turkey shifted from its rural character to urban during the first half of 1980's. But well before that time, major cities (İstanbul, Ankara and İzmir) have already experienced massive rural migrations and population growth. Today, three major cities carry about 30% of national population and Turkey has an urbanisation rate of 77% (TUIK, 2011). Despite high rates of urbanisation, the social, cultural and economic characteristics of rural populations are highly sensed in these major cities however "urban" they are. The consumption based economic development and high migration rates have their implications in the development of service sector in major cities. This contributed to the development of a modern retail sector (as will be discussed in detail through food retailing) much faster than other sectors in the economy. With high levels of capital concentration and its ties with social, political and cultural aspects of life retailing penetrated in everyday life of urban citizens. Its uncontrollable growth also created a problematic employment environment with constant demand for unskilled, mostly part-time, young and female labour and with enforcement of an insecure professional life. For further comments; social, economic and cultural polarisations and their relationship with retail practices need to be analysed in detail in specific cases. To this end the case of Ankara is selected as a case study.

The city of Ankara, with a population of 4,6million people, is the second largest city in Turkey after İstanbul. It is located in the middle of Anatolian Peninsula, and like Turkey, connects East Anatolia to the West and vice-versa. In relation with this reason and some others, Ankara was selected capital and became seat for governmental functions. Economically, despite its low industrial profile, Ankara contributes to the development of technology and production of high value industrial products, with its highly qualified universities, and with their successful technology development zones. Despite this, the city is mostly dependent on service sector functions which cover both governmental functions, and personal and business services. Ankara has the second largest economy in the country and produces 9% of all GNP. It is generally believed that Ankara's economic structure that is mainly dependent on service sector; make the city resistant against economic crises as most wages do not directly affected by the negativities of economic crisis. This, economic wise, makes the city as a relatively stable one with many investment potential[11]. However, recent developments in Ankara and city's rapid transformation illustrate a contrasting situation. Ankara's crisis resistant economic structure makes the city attractive especially for housing and retail investments while former benefits from long term loan options (like Mortgage), the later enjoys middle profile but stable purchasing potential of consumers.

[11] With compare more industialised and commercialised cities like İstanbul, İzmir, Kocaeli and Bursa.

With compare to other large cities, in terms of social structure, Ankara can be considered as the least cosmopolitan. High level government technocrats and small amount of wealthy capitalist classes represent the higher sections of Ankara's population structure. The densest middle level is composed of ordinary government officers, university staff, students and personnel. At the bottom level there exist service workers and small number of industrial workers. The lines between broadly defined social classes are also visible in differentiated consumption patterns and life styles as well as political struggles.

Urban characteristics of Ankara reflect all these differentiations and more. In terms of planning Ankara occupies an important position being the first planned city of the republican era. Through its planning, Ankara's urban development tried be rationalised and the planning process was thought to be utilised as an example for the development of other Anatolian cities[12]. Since that time Ankara has stayed as a planned city (despite some planning failures) and has been considered as the most planned city of Turkey. Having many governmental functions inside, public lands in Ankara occupy large plots in the city. With the development of the city, this occupation, at one side, created a scarcity over lands carrying development potential. On the other side, faced with rapid and dense urbanisation pattern, public lands enable the city to have reserve lands either for development or for recreation. Availability of public lands also contributed to the development of squatter houses, called 'gecekondu,' as most of the time government bodies fail to control the land under their responsibility. Service sector workers and their families occupied these lands and call others to settle in these areas. Once individually developed, these lands are today subject to broad urban transformation projects which at one side dislocate 'gecekondu' settlers from their places and move them away from main urban areas, on the other side offers immense economic advantages to land owners to obtain profits from these developments.

One thing that did not change in the course of time is that still very few people benefit from all these rent creating activities while majority suffers in disadvantaged living conditions. Considering the current urbanisation process; professional chambers, universities, planners, developers, land owners, party representatives, local and central government authorities and also foreign investment companies are all trying to intervene into local politics and wish to direct the urbanisation process according to their desires. This practically makes urbanisation process of Ankara very complicated but also makes it very attractive academically.

[12] Despite this attempt ankara is also known as the first city of the republican period exemplifying the inability of urban plans to follow urbanisation dynamics.

Sectoral extension:

Not only valid for the case of Turkey, the rise of retail sector became a global phenomenon. The crises of over production and difficulties in transforming manufacturing sector selected retailing as an important sector. Retailing obtains this position by contributing to the accumulation of capital by facilitating consumption and with increased capital concentration. As a result, the sector becomes a global power and creates dominance over production and distribution activities. This makes retailing both an important economic force and a powerful political agent intervening in national and local politics. In addition to its economic importance retail sector is considered as the of the most dynamic economic sectors in the global economy. Empowerment of retailing is not only due to its responsiveness to economic crises but also comes from its high transformative capacities. The sector constantly transforms its technological, organisational, marketing and locational aspects, adapts to new conditions and carries its competitiveness to higher levels. With such changes, retailing becomes a very competitive sector. Competitiveness not only affects relations between retailing and other sectors but also increases intra-sectorial competition. As a result of intensified competition in retailing, at one side smaller, traditional, capital weak firms start to disappear. On the other side, mergers, acquisitions and monopolies create more powerful retail firms competitive at the global scale. To this end retail sector is thought to represent capitalism's internal dynamics (competitiveness, profit maximisation, monopolisation) the best.

Food retailing, especially organised forms of food retailing, perfectly represents the situation described above. Being Wal-Mart (USA) at the first position, Carrefour (FR) at the second and Tesco (UK) third, eight food retail companies occupy the first eight positions in the list of most powerful global retailers in the year 2012 (Deloitte, 2013). In terms of transformative capacity of the sector, food retailing is always considered as the leading sector within retailing guiding other retailers. Development of POS (point of sale) terminals, new stock and flow management techniques, computerisation, logistical advancements, etc. are all first implemented in the food retailing than spread to other retail sectors. With their economic power, food retailers established their dominance over food producers (both agricultural and manufacturing), over distribution channels, and on wholesalers. Furthermore, organised formats of food retailing, with the advantage of their economic power, organisational capacities, high efficiencies and reduced costs; weakens individual and traditional food retailers and cause to their disappearance to a large extent. As discussed in the research, this transformation aggravated the condition of socially and economically weak populations.

As partially illustrated above, organised forms of food retailing apply the capitalistic development idea into reality through profit maximisation, intensified competition and

tendencies for monopolisation. Although at first sight this trend contributes to decreased overall costs, increased product qualities and ranges, thus seems to be socially and economically rewarding, its negative consequences started to be seen soon after increased competition, disappearance of traditional retailers and increased monopolisation tendencies. In many developed countries where these capitalistic tendencies had already pushed to the extreme by food retail companies, retailers' actions are tried to be controlled through regulating competition and preventing monopolisation. However it is again in the same developed countries that negative consequences of the retail transformation process are seen the most. Such negative aspects reflect themselves with the occurrence of disadvantage consumers and its spatial implication food deserts. This negativity reveals another important aspect of food retailing which is its importance for the continuation of human life. This distinguishes food retailing from other retail activities and forces us to consider accessibility to food retail options not only as a social and economic opportunity but also a physiological necessity that effect re-production and survival of urban populations.

Modernisation of retailing in Turkey has its roots on early 1980's when the new right wing liberal government replaced the military regime of the coup d'état in 1982 and adapted a new export oriented free market neo-liberal regime. Implementation of neoliberal regime and its immense transformative capacity took some time to reach retail sector. After passing the early period of timid development, with the early 1990's, retail sector started to transform rapidly. Small modern retail agglomerations are accompanied with the construction of shopping malls. Within this retail development process, food retailing started to occupy a significant position. The share of food retail sector within all retail establishments increased from 33% in 1992 (Özcan, 2000) to 51% in the year 2000. Another important aspect of this transformation process can be found in the changing structure of the food retail provision. Food retail sector which was once dominated by small, individual retailers (convenience stores, green grocers and butchers) evolved in favour of organised food retail formats. Development of supermarkets was followed by much larger food retail shops and ended up with a mixture of shop sizes functioning under one corporate branch. Although traditional retailers still dominate the market with their market share and number, the trend indicates that domination will soon change in favour of modern organised food retail formats.

The trend can be observed in largest cities of Turkey and Ankara occupies a significant position with its social and economic characteristics. First shopping mall of Ankara opened in 1989 just after the first one opened in İstanbul a year earlier. Today Ankara has 32 shopping

malls[13] and has the largest GLA (gross leasable areas) per capita share in Turkey (AYD, 2012). The city still has two traditional city centres but as a result of changing commercial patterns, these centres suffer from losing retail activities. Considering the food retail environment, Ankara represents a case in transition. The city, at one side, still protecting its traditional food retailers like street bazars and convenience stores (although their number constantly decrease) but also experience the rapid development of modern food providers whose number and market share constantly prosper. The competition between traditional and modern food retail formats can also be sensed among modern providers as the city's food retail structure change day by day. Further to this, the competition takes different shapes in already developed areas, newly developing areas and urban regeneration areas. The locational preferences of organised food retailers are different from traditional retailers and this is no doubt more selective and complicated. Analysing the case of Ankara will shed light into the character of this selective locational practices of modern food retailers and will give the opportunity to relate this pattern with the socio-economic characteristics of the urban population and with the development of local politics.

Temporal extension:

After defining the spatial and sectorial focuses, considering the extent of these two concentration points, the author selected the period of the neo-liberal era as his temporal focus. Neo-liberal experience of Turkey has both its peculiarities and communalities with compare to global neo-liberal theory. In Turkey, the period is also called "the revenge period of the capitalist classes" and the country witnessed with the government practices facilitating the accumulation of capital through various strategies. Deregulation, privatisation and decentralisation movements strengthened the economic and political power of capitalist classes (national and international) not only by eliminating legal and spatial barriers but also by providing new investment opportunities. The period, on one side, opened up opportunities for many investors to obtain higher returns from their investments. But on the other side caused to the collapse of others that could not adapt to this new world order[14]. The political economic transformation also affected the urbanisation process and made it an open ground for investors with very limited control. Urban plans are reduced to procedural documents just legitimising project based incremental urban developments while mayors[15] became the main actors of urban development with almost no accountability but with full administrative and economic power.

[13] Ankara comes after İstanbul having 91 shopping malls and stays before İzmir having 18 shopping malls.

[14] The neoliberal era will be discussed in detail later with differentiated policy implications and with the peculiarities of Turkish.

[15] Especially the majors of the 3 largest cities whose municipalities are called "Greater Municipalities". Later with the enaction of a new law in 2012, the number of greater municipalities reached to 30.

The neo-liberal period in Turkey is also characterised by increased social and economic polarisations. Much more than before, people living in large cities of Turkey started to live and work in segregated spaces and can rarely interact as a result of the lost public spaces. So as the activity of consumption, shopping malls that tried to be presented as modern public spaces, also segregated. Consumption becomes so important that peoples' spending exceeds real budget limits. With the ease of access to credit money, people started to be indebted not only to meet their needs and wants but also to meet their artificially constructed volatile desires. The process whole neo-liberalisation process strengthens the power of retailers either through its direct emphasis on consumption practices or indirectly through the financial support of the national governments and enabling policies of local governments. As a consequence locational practices in the neo-liberal era turn out to be a 'cherry-picking' activity for most of the powerful retailers that wants to exploit spaces with easy entry and exit to local markets.

Neo-liberalism is also about politics and covers the interaction between political actors at the local and national level. Focusing on the case of Ankara, the first thing to be said is that starting from mid-1990's, the mayor of Ankara stays the same. Being always a member of the ruling party, the mayor had always close contacts with the central government and always benefited from central governments' financial and political support in conducting urban policies. This close relationship not only facilitated the money flow from central government and increased the financial credibility of the Greater Municipality of Ankara but also opened up possibilities to restructure legislative framework according to the wishes of central governments. For example, in 2004, the mayor benefited from the enactment of a specific law concerning a redevelopment of a specific area in Ankara[16]. Much recently, in 2013, with the production of protocol between the central government (with the Ministry of Urbanism and Environment) and the Greater Municipality of Ankara; the mayor became able to leave all responsibility of the completion of the underground system[17] to the ministry. As can be seen from these examples, Ankara which was once planned to be an exemplar planned city now become again an exemplar city for the Anatolia but not through its urban plans but through the ways how neoliberal policies are (can be) implemented on urban scale through political alliances and profit concerns. Lastly, although application of neo-liberal policies to local agenda is justified through increasing efficiencies and optimised economic profitability facts reveal the reverse. According to the declaration of Undersecreteriat of Treasury (Hürriyet Ekonomi, 2013), the debt of local governments cover 66% of all debts to

[16] Law no: 5104, Northern Ankara Urban Regeneration Project enacted on: 4.3.2004
[17] The underground project that the municipality has not been able to finish since more than 20 years.

the Treasury and Greater Municipality of Ankara (together with its sub-firms) have almost one fourth of all debts related to municipalities.

In sum, neo-liberal era in Turkey, with its communalities and specificities, caused to structural changes in the country's political. From appearance the economy seems now to be more powerful than ever but in details the application of the neo-liberal system to Turkey has increased the economic, social and political negativities and caused polarisations in each of these areas. These negative consequences can best be observed in major Turkish cities, including Ankara where the clash of opposing forces is most visible and traceable both spatially and politically.

Level of generality:

The complexity of observed events and cases necessitates delimitations and abstractions. The extensions of the research are mentioned previously and now the author focuses on the abstraction level of the thesis. In Marxist categories of abstraction the research is conducted with a main focus on 2nd abstraction level which covers the capitalist system in the neoliberal era and which is complemented with spatial, sectorial and temporal extensions. The 2nd abstraction level offers possibilities to work both on the 1st and 3rd abstraction levels. These possibilities, at one side, facilitate the discovery of much local relationships and understand the relationships between local dynamics and neo-liberal capitalism (1st level). On the other side, the selected position expands our knowledge about how identified spatial, sectorial and temporal extensions are interacting with the general capitalist practices (3rd level).

As seen in the Marxist methodology, these interactions can be analysed from different point of views. Considering the focus of this research; relationships, processes and transformations within the neo-liberal period are studied from the perspective of urban inequalities and injustices. The urbanisation process, production of diverse urban functions and especially the production of food retail environments, the role of different classes and the state, and more importantly their interactions, transformations and impacts on social and economic life constitute the core of the present research.

Vantage point:

The way how the author approaches to the research can best be described as critical and objective. This inevitably falls in workers' point of view in Marxist sense. The focus on urban injustices, their constant production through political mechanisms, constant change of the urban form and interaction of diverse actors in shaping the urbanisation process are

considered as 'man-made'[18] as a product of class agency. From this perspective, political processes with economic considerations are positioned at the centre of the research. And theoretically, this position necessitates the application of Marxist methodology to the research.

On the personal side, the author was born and still resides in Ankara, Turkey. He got his urban and regional planning education in the same city. With these experiences, the author becomes able to both observe urban transformations and functioning of different actors within the city, and to match his theoretical knowledge with urban practicalities. In addition to this, the author believes that his life experience in Ankara offers considerable advantages in the analysis of the urbanisation process of the city, the effects of neoliberal restructuring, and its social, economic and spatial. Lastly, author's personal experiences increased his interpretation capacity of the research findings and probable forms they may take in the future.

3.3.2.2. Sources of Information, Methods of Data Extraction and Exposition of The Findings

The case study research:

The thesis is realised within the field of urban planning. This brings all the discussion on different subjects (economics, social and political aspects, interrelation between actors, etc.) on the common ground of space. To this end, the research becomes a case study research on a specific spatial scale, on the case Ankara. Although the emphasis is given to the specific urban condition of the city, the case's interrelations between upper and lower scales are also considered. At the upper scale, the effects of country wide processes and transformation are widely utilised to understand and explain urban condition in Ankara. Similarly, Ankara's internal dynamics, local and lower scale conditions have also their transformative effects on the city. To this end, although not at the centre of the research, these feedback relations between upper and lower scale conditions are considered within the single case study research of Ankara. In accordance with the preconditions defined in the theoretical framework and knowing the case to be concentrated, the author preferred to conduct a case study research for the acquisition and the analysis of the data envisaged to be processed.

[18] Opposed to most point of views considering the process as 'natural'

The case study method has been selected for a number of reasons. First of all, among other research methods, the case study method allows the researcher to perform a research compatible with the Marxist political economic approach. Similar to the premises of Marxism, case studies necessitate holistic and meaningful investigation of real life events. Secondly, the case study research method is not based on a single method of analysis but covers a wide range of other research methods within itself. Similar to multiple source research within Marxism, "triangulation" within case studies covers both the triangulation of different data (data triangulation) and different methods (methodological triangulation) for the understanding of the phenomena (Yin, 2003:98-9). With the help of such triangulations the method enables the researcher to approach the case through various points of views. Furthermore, the possibility of utilising various methods gives the possibility the possibility to overcome limitations of one method with the possibilities of another. Finally, as both Yin (2003a, 2003b) and Gillham (2000) underline, case study research is the preferred method when;

- "how" or "why" questions are to be answered,
- investigator has little control over events, and
- research focuses on contemporary phenomenon within some real-life context.

Sources of Information:

As Yin (2003a) and others pointed out, the strength of the case study researches comes from utilisation of different methods of analysis and different sources of information. Considering the case's unknown and highly specific characteristics, it is advised that the case study research has to go hand in hand with the literature review, formation of the theoretical framework and data acquisition (Yin:2003a, Gillham:2000). Keeping this in mind, in accordance with the requirements of the Marxist research, information about the case study is obtained on the historical basis and to reflect position of different actors contributing to the formations and transformation of the focused case. Concerned actors can be grouped under four categories which are;

- local and central governments
- urban planning institution
- organised and traditional food retailers
- socio economic characteristics of the consumers)

Based on the determination and interaction of these actors the research is constructed on the basis of three sources of data. Documentation research, archival records and web based information.

Documentation research; is about the usage of secondary information. Sources that are utilised throughout the study are:

- (central government and urban planning) Laws, regulations and other legal documents
- (mixture) Institutional reports (governmental, private sector, university) reports on national economics, legislative changes, planning, retailing and social and economic life
- (organised food retailers) Retail sector reports from private companies
- (mixture) Journal articles about national and local economics, retailing, and socio-economic conditions

Archival records; are part of the primary sources of information. Utilised sources are:

- (consumers) TUIK (Turkish Statistical Institute), Household Consumption Statistics, 2002-2000
- (consumers) TUIK (Turkish Statistical Institute), Census of Population, Social and Economic Characteristics Indicators, 2000
- (consumers) TUIK (Turkish Statistical Institute), Address Based Population Registration System, Social Indicators, 2008
- (consumers) TUIK (Turkish Statistical Institute), Building Statistics, 2000
- (consumers and retailers) Revenue Administration, Street Based Taxation Catalogue, 2006
- (traditional retailers) Ankara Association of Grocers / Association of Green Grocers, Fishmongers, Poultry and Aquarium Fish Sellers / Association of Butchers[19], 2013, membership information
- (traditional retailers) Ankara Association of Chambers of Tradesmen and Artisans[20], 2013, membership information
- (traditional retailers) Local Municipalities, 2013, number and location of street bazaars
- (urban planning) Greater Municipality of Ankara, 2012, Plan of Ankara for the year of 2023, plan and plan report

Web based information; is consisting of firm based information about organised food retailers. It is obtained through firms' web pages updated frequently. The information includes historical background of the firms, their facility number and addresses. Based on the year 2007, 18 major organised food retailers having 516 stores functioning in metropolitan

[19] In Turkish and in the same order: Bakkallar Odası; Mavavlar, Balıkcılar, Tavukcular ve Akvaryumcular Odası; Kasaplar Odası
[20] In Turkish: Ankara Esnaf ve Sanatkar Odaları Birliği

area of Ankara are taken into account. Details of the selection process and obtained data are presented in the geo-statistical analysis part of the thesis.

Data processing and exposition:
Based on the premises of Marxist method, the research departs from determining the current situation and processes from general conditions to specific parts. Literature review about the global political economy and its institutions is followed by analysis of the Turkish political economy, with particular focus on present situation of the neoliberal era in Turkey and on the urbanisation and retail transformation processes. These subjects are analysed on the basis of documentation and archival researches. After constructing the upper level spatial context, the research then focuses on the case of Ankara. The historical look to the history of urbanisation is accompanied by the presentation of the city's profile with respect to its social, economic, demographic and political aspects. The food retail structure of Ankara is analysed relationally, through the interaction of supply and demand parts and through their internal dynamics.

The most important and significant part of the research comes when the interaction and interrelationship between supply and demand parts of the organised food retailing is started to be analysed through statistical methods. This realised in three steps. To define the general nature of this relationship, the process starts with descriptive statistics and simple correlation matrices that globally reveal the organised food retail presence in the neighbourhoods. In the second step the analysis moves into details both statistically and spatially. The general relationships are explored on the basis of retail presence in neighbourhoods and neighbourhoods' socio-economic characteristics. This is followed by formal regression analysis. At the third and final stage, Geographically Weighted Regression analysis is conducted to reveal local differences in retail presence. At this stage neighbourhoods sharing similar characteristics are grouped and their situation is tried to be interpreted.

Findings of the research are presented through tables and maps transforming abstract-mathematical statistical investigations into concrete and summarised illustrations.

3.4. Conclusions

Chapter 3 is about the Marxist methodology and aims to answer the following question to shed light on this rather undiscovered research method.

- What Marxism means?,

- Which research tools do Marxism provides?, and
- How Marxism can be applied to other researches as a specific research method?

To this end, the first part of the chapter is devoted to construct the philosophical basis of the methodology. Materialist perspective of Marxism, the importance given to material historical conditions and the philosophy of internal relations are discussed in this first part. As part of the materialist understanding, the second part bridge the philosophical part with the area of political economy and provide insight about how political economy is discussed in Marxist terms. The final section brings previous discussion to the concrete grounds of a case study. The case study selection process within Marxism, its focus points and priorities are mentioned before the justification of the selection of Ankara case. At the section of the third part, sources of information that can be utilised for the analysis of the case are presented.

The chapter is divided into three main parts. In the first part an overview about Marxism is provided. The second and third chapters exhibit some details about Marxist methodology by exploring its dialectical and political economic dimensions. The last part of this chapter is devoted to the adaptation of Marxist approach to a case study research. In this final section, the case study of this research is defined and justifications about this selection are provided to the reader. As a result of this broader analysis of the Marxist methodology the plan of the research appeared as below.

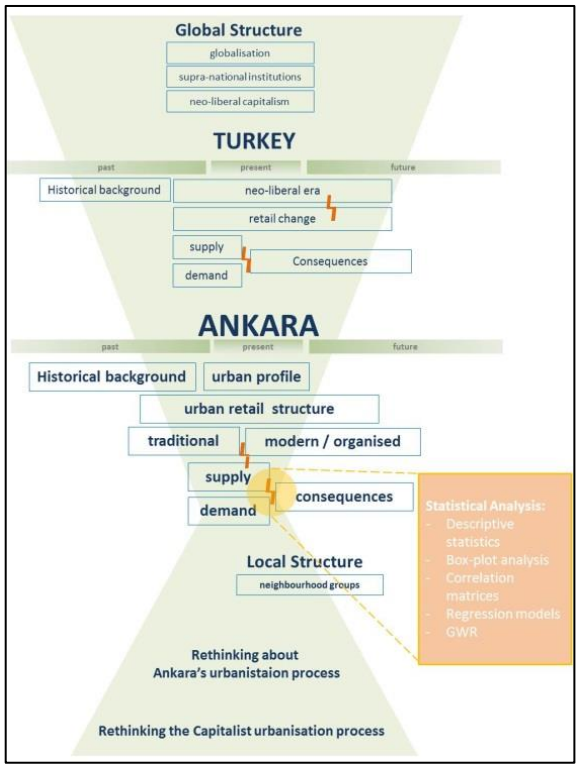

Figure 17: Summary of the Marxist research process applied to the focus subjects of the thesis
Figure 18: Summary of the application of the Marxist approach to the case study process

The thesis research continues with the fourth chapter consisting of the identification of abstract capitalist principles and their application to retail sector. Concretisation further develops through the interaction and transformation of these relations with spatial practices and with their effects on the formation and aggravation of inequalities. The research get more concretised in chapter five, with the analysis of the political economic context of injustices when production, consumption and re-production activities are examined in detail. The chapter is terminated with a discussion on urbanisation process in capitalism which is considered as the 'natural' reflection of the observed relations in production, consumption and re-production practices and their political economy.

With the chapter six, the case study research process enters into discussion from an abstract level. As can be seen from Figure 19 the case study research method also follows the deductive structure of the main thesis. In this section, the abstract discussions about capitalism get concretised with the presentation of the capitalistic motives of the Turkish political economic context and Turkish retailing. Although the chapter reflects the characteristics of the historical materialist approach with a focus on historical development process, neo-liberal era is chosen as the temporal focus. As the sectorial focus, the retail development process of turkey is investigated in detail with its supply and demand characteristics and with changes affecting these characteristics. The case study approach reaches its main concentration, to the case of Ankara, in chapter seven. In this chapter, after the presentation of the general urban dynamics of about the city, the research focuses again on city specific consumer – retailer relationships and their transformation in time. Chapter eight presents the most significant part of the research which is the discovery of consumer-retailer relationships on the basis of consumers' socio-economic characteristics. While the chapter aims to bring quantitative support to Marxist findings and observations, the process is started with descriptive statistics, developed with global/city-wide statistical findings and terminated with identification of the local differentiations from the general structure.

The final section is called as discussion. In this section, under the light of the findings, the author produces policy implications to correct the problem of injustices (praxis) and returns to the assumptions of the Marxist framework and make changes on the parts that fail to explain case specific characteristics (theoretical reconstruction). This will be the theoretical and practical contribution of this research to the Marxist thinking.

4. ANALYSIS OF CAPITALIST SYSTEM AND RETAILING

> "If the needs of capital are manifested in space, then spatial changes are manifested in the needs of capital." (Gottdiener, 1985:21)

In the previous chapter, the Marxist methodology is analysed and prepared for application to a case study. Chapter 3 constituted the first step in this application process. As mentioned previously, Marxist method develops deductively and starts analysing the case from the abstract/general and goes to the concrete/specific. To this end this chapter is located at the abstract level with the aim of analysing the capitalist system and retailing as a part of it. In this analysis, the author intents to reveal concealed relations between the parts of the capitalist system and locate retailing within the broader system of capitalism. The chapter also develops in a deductive way and goes from abstract to concrete. Abstract discussions about the capitalist system and retailing are concretised with their implication on space and injustices. In this approach urbanisation is seen as the outcome of capitalist activities (that retailing be part of) and injustices appear as its "natural" consequence.

In sum, the chapter aims to provide the background information about capitalism and retailing so as to develop the basic knowledge to analyse urbanisation process and urban injustices and their interrelationship with case specific factors like political economic conditions and socio-economic factors.

This chapter consists of two parts. In the first part, the capitalist system is put under investigation. Liberal formulations are briefly discussed at the beginning while the main analysis comes just after with the Marxist political economic framework. The capitalist system and its distributive mechanisms are analysed through the concept of circuits of capital. Then, the spatial perspective is introduced to the Marxist interpretations.

In the second part of the chapter the retail production process enters into discussion. The discussion develops with the introduction of retailing in the circuits of capital and spatial implications of retail activities under capitalist logic. The issue of injustices are discussed within the retailing sections with a brief connection to disadvantaged consumers and food deserts.

4.1. Capitalist System

4.1.1. Conventional Framework

> "Capitalism is a system which must generate contrasts, opulence and poverty, dynamic growth and steady decay. An understanding of this process is the first step in ending it." (Tabb and Sawers, 1978:17)

The classical interpretation of capitalist system, mainly based on Adam Smith's ideas, provides an early picture of a political economic system which emerged in the previous few centuries. Classical economics conceptualise the capitalism as a circular system whose main actors are capitalists, labourers and landlords. Actors are interacting through a system of exchange which is based on profits, rents and wages, and which is coordinated by the 'invisible hand' of market exchange. In classical theory it is assumed that the invisible hand is able to distribute elements of exchange (wealth or in more concrete terms money and all commodities) first, in accordance with each actor's contribution to the system and second, through the dynamics of supply and demand. Under these assumptions fluctuations within the price system are inevitable but these fluctuations are believed to end up with a general equilibrium in which all demand is supplied and all the efforts of actors are rewarded.

As time passed, new facets of capitalism were discovered and political economists interpreted these new facets according to different points reflecting the realities and problems of their historical epoch. The author would like to begin with Adam Smith who is among the first intellectuals to conceptualise the capitalist system after industrialisation. In his Wealth of Nations (Smith, 1776) he tried to depict the advantages of large scale factory production and its intensive division of labour. Looking to the early stages of the industrial capitalism and although he was aware of the negative consequences of this new mode of production, he believed that deregulation of markets, expansion of free trade and policies to protect property rights will inevitably lead to the greater good of the society in the long run. Smith's positive thoughts about the elimination of negative aspects of capitalism were never come up to a positive conclusion. In 1867, Marx wrote his Critique of Political Economy. Faced with the growing and aggravating social and economic inequalities, and observing the harsh contradiction between positively constructed theories and worsening of life conditions he first attempted to (re)understand the capitalist political economy. He criticized the circular and continuous logic of capitalism which was presented as natural and problem free. He introduced a different circular logic (linear in the long run) which is based on the exploitation of labour which is prone to crises. After Marx, at the beginning of 1900's Max Weber

developed a third way between Smith and Marx. Weber also started criticising the capitalist system by developing a new historical basis for it. He first attached the Protestant Ethic and the Spirit of Capitalism (2010[1905]) and favoured some recent developments that liberate people from traditional obstacles, arbitrary constraints and regulations and that provide a rational basis for the economic system. With a much less political perspective, Weber argues underlines the importance of technical independence (based on technocracy) of some institutions (like the State) to act independent from the closed capitalist logic.

In the course of time, crises of capitalism started to be felt and in contrast to what Marx said, the system recovered itself continued to function. In his writing on The Theory of Economic Development (1911) and Business Cycles (1939) Joseph Schumpeter analysed revolutionary character of capitalism and its dependency on innovations. He also underlines the importance of financial institutions as the source of capitalist dynamism and resilience. Later, seeing the negative sides of capitalism, mainly the Great Depression and its mass unemployment, John Maynard Keynes stopped waiting for the establishment of the 'equilibrium' as described in conventional economic formulations. Instead he proposed that the capitalism needs the 'visible hand' of the government. In his work The General Theory of Employment, Interest and Money (1936), Keynes argued that government intervention is necessary to increase employment levels (aggregate demand) and to assist private investment, to perpetuate production and consumption for the full allocation and use of resources.

Among these theoreticians Marx occupies a different position. Similar to other economists Marx seeks to understand the laws of motion of capitalism but unlike them he went beyond the economics' illusionary veil and sought to its relationship with political and social aspects. This approach allowed him to construct a comprehensive framework to explain changing social, political and economic conditions that this new phase of capitalism introduced. His observations on the inequalities and injustices of capitalism, led him to the conclusion that it is impossible to sustain the capitalist system in which social relations of production make rich much richer and poor much poorer. This critical departure enabled him to analyse the process of circulation of capital and factors affecting its accumulation with a different perspective. The bourgeois political economic explanations' claim based on the just distribution of resources among legal equals is collapsed through the Marxist analysis where Marx unveiled the superficial appearance intending to hide the 'real laws of motion' (Ingham, 2008:15).

Marx's objections to classical economic interpretation of political economy have both theoretical and practical bases. On the theoretical side, not separate from practical observations, Marx stresses the creation of surplus value and its distribution among classes. This constitutes the primary source of inequality in Marxist understanding which leads to the creation of supporting institutions, social and economic crises, and temporary solutions to these crises. On the practical side, Marx focuses on social and economic inequalities that affect the living condition of millions of workers in industrialised countries like Germany, France and England. Human exploitation under the cover of economic freedom and the production/consumption processes leading most of the populations into misery backed his assumptions. The way Marx conceptualises the capitalist system not only helps to the realisation of a more accurate description of capitalist system but also sheds light on the nature and logic of capitalism[21]. Application of this perspective becomes essential to the present research primarily because it is argued that the locational inequalities are internally based on the capitalist logic that guides the management strategies of organised (food) retailers that include location decisions. Secondarily, the Marxist perspective provides a framework to distinguish the role of different actors and more specifically the role of planning, as 'external factors' influencing retailers' spatial decisions.

4.1.2. Capitalist System, from the Marxist Point of View

Under this heading the capitalist system is discussed through the concept of capital accumulation and circuits of capital as first formulated by Marx and later elaborated by David Harvey. The capitalist need for accumulation for accumulation sake, transitions between circuits and the crisis prone nature of the capitalist system are the subjects that are dealt in this section. Through the explanations provided in this chapter, it is intended to understand the logic influencing capitalist firms' spatial decisions and the urbanisation process in general. By realising this, the actors acting in distinct moments of the capitalist system are identified and their contribution to the urbanisation and retail production processes as well as urban inequalities.

The section is developed under three headings. In the first one, the general explanation of the capitalist system is provided. In the second part the capitalist system is elaborated with

[21] During the research, many scholars have been found criticising the validity of the Marxist approach claiming that capitalism has multiple forms today, and arguing that it is not possible to represent the system as a single entity. In return, the author has tried to demonstrate that the Marxist interpretation of the political economy is still valid as Marx starts his analysis from the very basic level of capitalist activities, from the production of commodities. Despite the existence of multiple forms of capitalisms, mainly in relation with historical and geographical differences, all systems share the basic elements of Marxist analysis that can be considered as 'the nature and logic of capitalism'.

the circuits of capital and crisis tendency of the system is investigated. Spatial aspects of the capitalism are discussed through the importance of location and ground rents in the third section. The final part devoted to link previously discussed aspects with the retailing. The role of retailing within capitalist system and its spatial implications are discussed in this fourth and final heading.

On the basis of the capitalist system there lie capitalist producers who seek to realise the surplus value that is needed to circulate produced commodities. During the production process, money capital (productive money - M) first transforms into commodity (C). Commodity, through the active functioning of the means of production (MP) together with the labour power (L), transforms into a new commodity (C') with an increase in value due to the utilised labour time, machinery and raw material. The retailer, as an intermediary takes the responsibility of buying this produced commodity (C') in return for a share within surplus value (M'-M). The sale of the commodity (C') not only moves it out from the production process but also transforms the commodity into money capital again and enables the producer to (re)invest into the circuit. Thanks to the increase in value (M'- M = surplus value), money capital obtained at the end becomes bigger than the one utilised at the beginning and the difference between these two (profit) becomes the main motivation for the circulation of capital. As will be discussed in detail later, space plays a very important role within this circulation process primarily as an important element of the 'structural coherence' of nesting the agents of production, circulation and consumption.

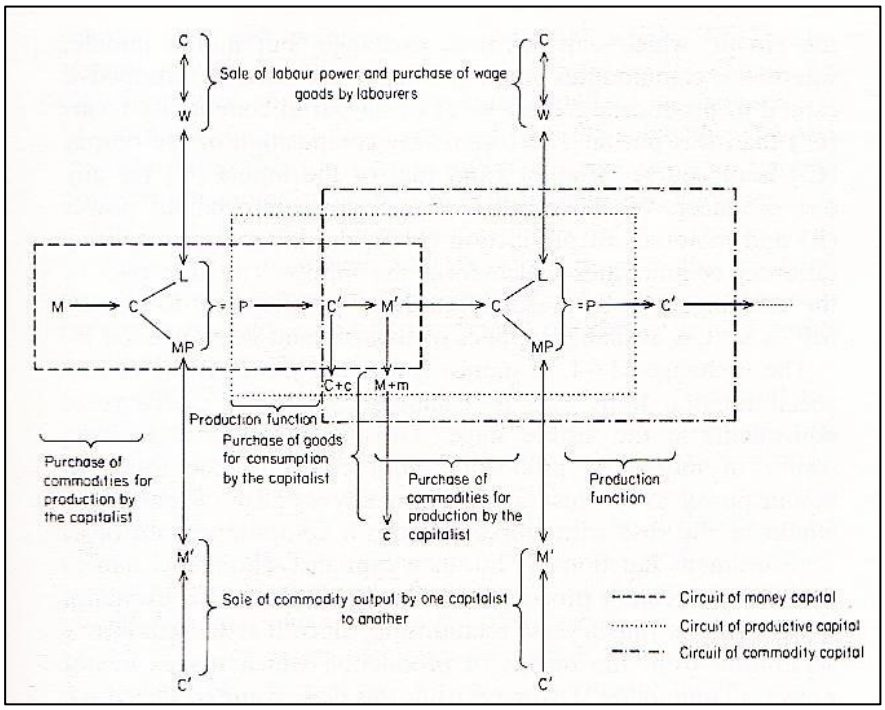

Figure 19: The conceptualisation of the process of commodity production and consumption (Source: Harvey, 2006[1982])

This linear representation of the process of commodity production and consumption, differentiated from liberal conceptualisations with respect to the creation of surplus value out of the production process. In contrast to conventional economic approach assuming the realisation of the surplus value at the moment of exchange, Marxist interpretation of the system reveals that the surplus value is extracted from labourers and passes to commodities during the production process through their exploitation. This difference is fundamental to our understanding of capitalism as will be discussed later on the exploitation during the production constitutes the basis for most urban injustices. For the identification of the importance of space within capitalism, the basic process of production and consumption (M-C-C'-M') with the circuits of capital will be elaborated.

4.1.2.1. Circuits of Capital

Within the circuits, in its most basic form, capitalists seek a reasonable rate of return in response to investments made for the production of commodities so that they can continue to produce to obtain more returns. In this first circuit, while the labour power is utilised for the production of commodities, its exploitation enable capitalist to obtain surplus values that motivate the continuation of the production process. When the rate of return decreases in the primary circuit (at the moments of over-production or under-consumption) or when capitalists find another way to obtain a rate of return more than the rate of return realised within the primary circuit of capital investments can be directed to a secondary circuit. In this new circuit, capital is invested in the built environment to enhance either (or both) the production or (and) consumption side of the circuit.

Through the investments in the built environment (as will be discussed more in the following section) capitalists diminish the spatial barriers to encourage investments on space, sometimes consider space as a commodity and benefit from its exchange value. Investments in infrastructure (like roads, telecommunication networks), or investments in buildings (like housing or shopping centres), help capitalists to reactivate the suspended circuit by manipulating production and/or consumption activities. On the other hand, a kind of secondary circuit capitalist has the opportunity to direct its capital on the tertiary circuit which may contribute to the production functions through technological developments (investments on research and development departments), or may trigger consumption and production through investing in the reproduction of labourers (i.e. welfare policies like education and health services). Investments in research and development (R&D) together with policies developed to enhance workers' conditions are the investment examples realised within the third circuit of capital.

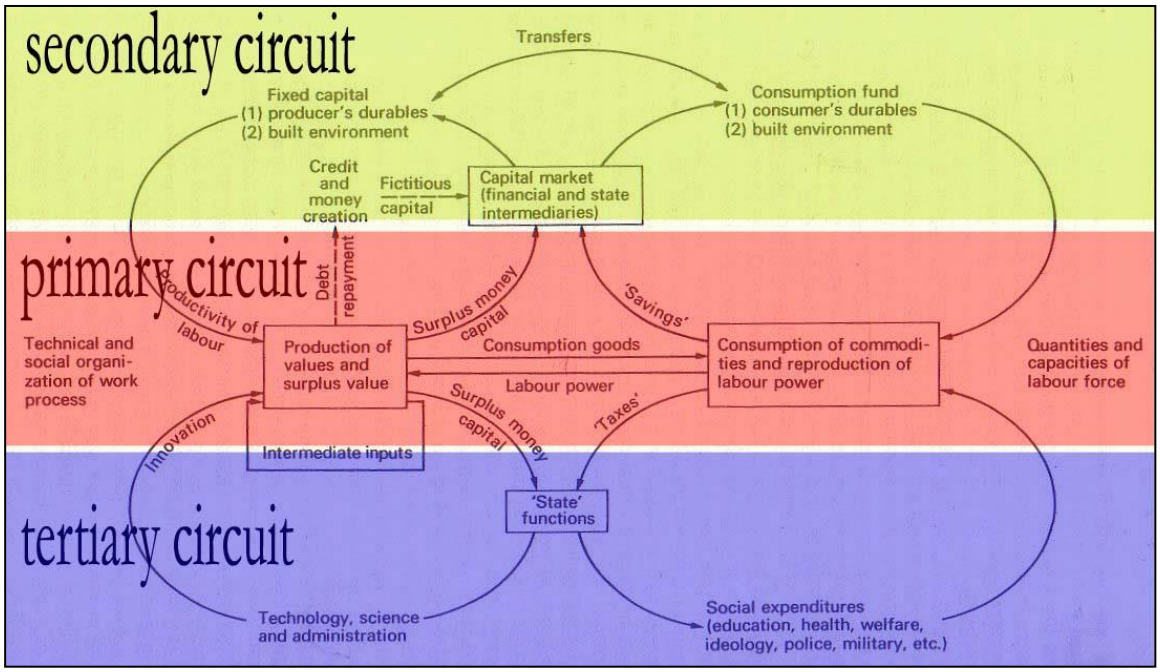

Figure 20: The structure of relations between the primary, secondary and tertiary circuits of capital (Adapted from Harvey, 1982[2006])

Although everything starts with production and seems to continue as a "natural" event, the parts of the system are not capable of sustaining the circuit of capital on its own as seen from the reasons causing switches between circuits. The level of complexity that the capitalist system has reached today necessitates the development of different kinds of institutions and actors for the continuity of capital accumulation. In relation with the appearance of different institutions, at the beginning of the third volume of Capital, Marx identifies different factions within the capitalist class and gives attention to their role in the circuits of capital. According to him, production capitalist, merchant capitalist, money capitalist, and landlords form the basic divisions within capitalist classes and have to fill their duties for the continuation of the system[22].

Despite the variety of forms of capital and different actors taking care of different forms of capital, the main motivation driving the circuits is still the excess money obtained at the end of the circuit and its distribution among actors. Because of this basic motivation and with the help of the division of labour within the circuit, capitalists may depart from the production process and seek profit in other circuits. This constitutes the basis for the creation of different actors functioning at various stages of the circuit of capital.

[22] Today we are observing much more institutions than before that not only enables the continuity of the capital circulation but also survival of the capitalist system. The discussion will be expanded when the role of supra national institutions and the state (local and national) is discussed in the following chapters.

4.1.2.2. Decreasing Rate of Profits and Crisis

Despite the possibility of switching between the different circuits, the capitalist system ends up with various crises due to its contradictory nature. Specialisations within the circulation of capital and different forms that the capital takes, smoothen the circuits, postpone the crises but can never be able to erase the "bad seeds" of the system. Coming from the nature of capitalism it is possible to observe three kinds of crises. The first cut theory of crises encompasses the problems of over accumulation or under consumption that interrupts the accumulation process of capital. In other words, under the conditions of exploitation, as mentioned previously, the demand of the working class for commodities can decrease in the course of time or fail to grow as fast as production (the crises of under-consumption). Decreasing material abilities of the working class shows its faces through decreasing purchases that leads to an increase in unsold commodities on the production side (the crises of over-production). Capitalists can overcome this first crisis type through investments in consumption fund and fixed capital investments by creating new forms of circulation oriented to future rather than present uses.

Monetary and financial arrangements can be utilised, as consumption fund, for the expansion of the quantity of money and thus to re-produce effective demand. This can be realised either directly through the production of money commodity (like gold) and indirectly through the credit system. As seen in the post Second World War period, the so-called "golden thirties" among developed western countries, through fiscal policies and government expenditures the consumption fund was intended to be activated. During this process the state developed policies to increase the effective demand (ibid: 91). From another consumption fund investment capitalist class enhanced the stopped consumption process through the introduction of financial incentives by offering consumer credit or expanding the span of consumption with the inclusion of luxurious products (ibid: 92). These new ways can be utilised for the purpose of increasing the demand and thus help the re-regulation of capital flow and the restoration of profitability. With the help of such mechanisms, capitalists not only become able to target unused assets of the labour classes but also start to establish claims on their future earnings. On the side of fixed capital investments, capitalists can decide to adapt technological developments to decrease production costs, commodity prices and indirectly enhance demand from supply side interventions.

As a result capitalist system found solutions to exit from the first cut theory of crises through the utilisation of financial instruments. Additionally, through the intensification of the usage of technology and investments in the production process, costs of production decrease

considerably. But the problem rises again. While the former solution enables capitalists to appropriate the present and future wealth of labourers and makes them much poorer, the latter solution weakens the material conditions of labourers. A short run benefit for capitalists just postpones the crisis situation that happens again with the decreasing purchasing power and job losses. The 'temporal displacement' of the inherent problems of capitalist system, or the 'monetary illusion' which has no material basis fail to produce any permanent fix to the chronic crises of the capitalist system. These interventions only postpone what is inevitable and cause the realisation of the second cut theory of crises.

When financial and technological arrangements are no longer enough to avoid crisis situation space is considered as an investment potential to solve characteristic problems of the capitalist system. Getting away from limited conceptualisations of capitalism which consider it as a closed and continuous structure, capitalism can seek to solve its inherent contradictions through a 'spatial fix'. Considering the location specific character of all the crises of devaluation (Harvey, 2006[1982]) investments in space are seen as a second option to solve the economic crises, as seen in the secondary circuit of capital. Creation of new urban structures, elimination of spatial barriers and spatial integrations made for increasing the mobilisation of capital on the land can be seen as some possibilities to overcome the crises which happened in first and second cuts. Surpluses of capital and labour power which are all spatial entities can be “disposed of and remunerated by entering into external relations with other regions” (Harvey, 1985).

According to Harvey, the geographical expansion of capitalism in search for a spatial fix results with the third cut theory of crises which is the crisis of uneven geographical development. Similar to other propositions, geographical fix is not capable of producing any permanent solution for the crises. Utilisation of space to recover from crises means nothing more than geographical displacement of inherent and unavoidable problems from one place to another. This displacement initiates the establishment of capitalist economic conditions with its social relations, together with the systems of exploitation at some places for the prospect of others. Throughout the history of imperialism and colonisation, it is possible to observe different instances of spatial fix. Compared to other kind of crises ‘the third’ cut can be considered significant in terms of the utilisation of different spatial scales for the recovery of crisis. At the end, contradictions of capitalism (as seen through the first and second cuts) are realised again and again but at different spaces, larger scales and at the expense of the exploitation of much larger populations.

Now the author would like to focus on the utilisation of space within the capitalist system, from the perspective utilised in this research, it is argued that the space is an inseparable and indispensable element of the capitalist accumulation process. And, the following part of the research aims to justify this argument.

4.1.3. Capitalism on Space

> "Land serves not only as a means of production but also as a 'foundation, as a place and space providing a basis of operations', space is required as an element of all production and human activity." (Marx, 1991:774 and 781)

Materialist thinking not only leads its followers to think about the material results of social and economic processes but also makes them aware of the physical character of the parts of the observed processes. Physical existence, inseparable from the existence of beings in space, makes the discussions of space an important part of the Marxian political economic studies. For Marx space, mostly referred to as land, plays a double role as both a condition and a mean of production. Through this dual role, space becomes the symmetrical image of the capitalist system and reflects the characteristics of the circuits of capital, perpetual crises, and patterns of exploitation and injustices.

Policies developed to sustain capitalism not only aim to increase efficiency and utility of the system but also, facilitate the extraction of surplus value from space through its commodification. This focus on efficiency and profit, as seen before, becomes the source of increasing inequalities and injustices, and makes space one of the key areas to observe negative externalities of the capitalist political economy. After studying the position of space within the general discussion of capitalism, the issues of inequality will reappear towards the end of this section.

From its nature, space is a functional necessity for the basic movement of labour, commodities and money, more generally for the circulation of capital within the primary circuit encompassing production, exchange and consumption (figure 21: red line). Harvey (2006[1982]) argues that depending on the level of development of societies, capitalism of any sort creates the spatial composition that meets its requirements and that enables the circulation of capital in the most efficient way. The technological capacities together with the material possibilities of the society determine the character of the necessary spatial structure. Harvey further argues that, in the course of time, the requirements of capitalist system change and once-enabling physical structures start to limit the flow of capital through space

and force capitalists to create new spatial organisations. At these times of constraint, demolition of old spatial elements, production of new ones, and consequential restructuring of urban structures (often called "creative destruction" of the built environment) becomes unavoidable for the future of the capitalism.

As mentioned previously, space is also utilised to overcome crisis situations. The productive capital stuck within the primary circuit can be diverted into the secondary circuit, in the form of investments in the built environment (figure 21: yellow line). On the side of production, as a part of fixed capital, such investments contribute to the enhancement of the production processes. Construction of new production centres together with the production of necessary infrastructure for the production, and renewal and upgrade of these facilities are the examples of fixed capital investments concentrating on the built environment. At the more concrete level, production of newer facilities, design and application of more efficient production mechanisms and application of more responsive transportation and communication systems that respond to the needs of the new mode of production can be seen as parts of the fixed capital. Investments in the built environment are not only within the sphere of production.

The sphere of consumption offers alternative built environment investments to capitalism as well. (Re)organisation of everyday life around shopping centres; appearance of new small-scale retail formats, their diversification and spatial (re)organisation can be considered as the effects of spatial investments aiming to revitalise consumption of commodities. Through such investments in the built environment, the capital originally following the path of the primary circuit moves out of the circuit but always utilised for obtaining the surplus value. The only difference for the capitalist is that such investments in the built environment necessitate longer turnover time than that is required for the production and consumption of most commodities. For this reason, capitalists first try to function within the field of primary circuit of capital and move to other circuits only when they become more advantageous considering turnover times and profit levels.

In his analysis of the circuits of capital, Harvey separates the investments contributing to the production and consumption of commodities (as a secondary circuit) and those serving the reproduction of labour power (as a part of a tertiary circuit). Within the framework of this research it is also argued that attempts separating consumption for reproduction from other consumption activities is not an accurate task. Consumption activities of any sort contribute to the reproduction of labourers from one side or another. Resultantly, the consumption activity that becomes subject to this research not only covers the collective consumption

services like schools, libraries, sport facilities, green spaces, etc., but also covers the consumption of more individualised goods. In today's consumerist societies, the activity of consumption starts to occupy an important position in people's lives and contributes to their reproduction from a much broader perspective. Similar to state functions, retail activity needs to be seen as an important element of human reproduction as it may touches upon the basic needs of labouring classes.

Returning to the circuits of capital, retailing occupies an important position not only in primary and secondary circuits but appears also in the tertiary circuit as an important activity. As mentioned within the 'spatialisation' of primary and secondary circuits, capital directed to the tertiary circuit need to be spatialised as well in order to be concrete. As a result, social expenditure directed in this circuit have all material outcomes, spatial implications and all such investments occupy places in urban spaces either in the form of schools, military barracks or retail facilities (figure 21: blue line). As the difference between tertiary circuit spatial investments and secondary circuit ones, the author argues that it is the difference between the given priority on use and exchange values over the utilisation of space. While for the secondary circuit built environment investments are rather considered superficial, tertiary circuit investments are thought to last longer and serve to its users for long run and for the benefit of capitalists. Although there is no guarantee that tertiary circuit investments[23] can become subject to secondary circuit investments as well, one needs to categorically differentiate spatial implications of these diverse circuits on the basis of their motivation (based on exchange or use).

[23] The case is very common in retail practices. Retail stores, sometimes owned by property investment companies, are considered with their exchange values and sold to other companies an the basis of their ground rents. Another supporting evidence comes from the Turkish case where the state subcontracts builders to build schools and hospitals to boost the economy directly with the construction activity without considering their long run reproductive returns.

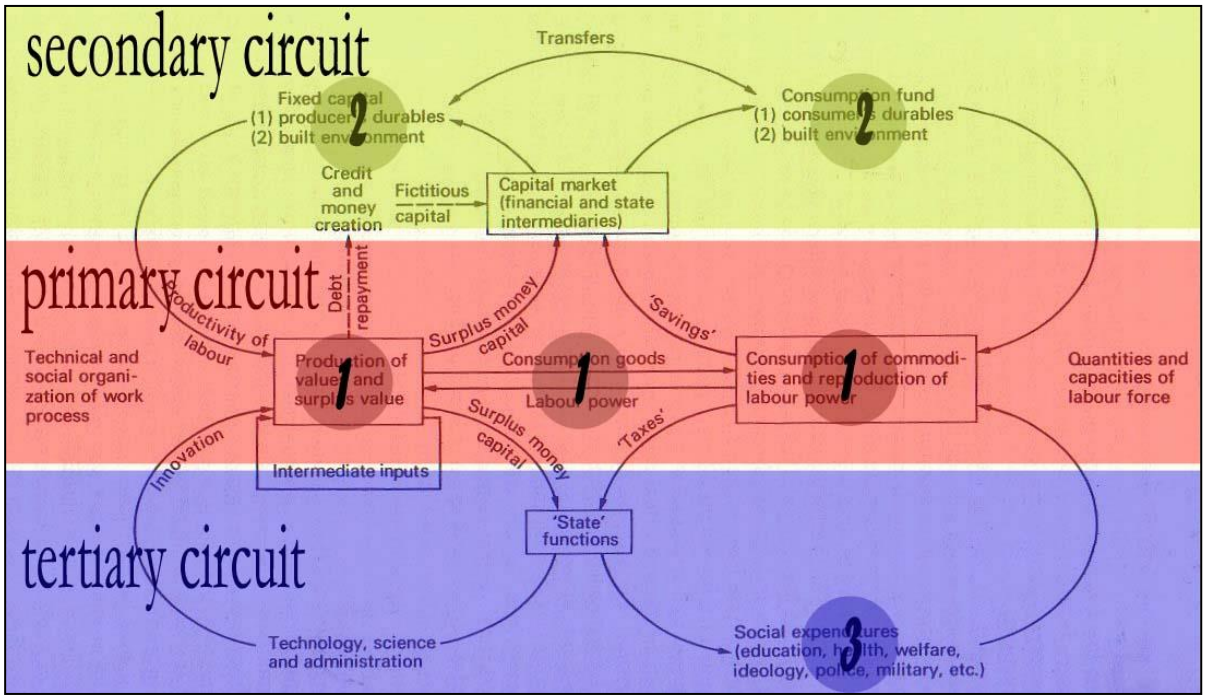

Figure 21: Instances of space usage within the circuits of capital
1 utilisation of space in production, consumption and exchange (primary circuit)
2 utilisation of space for production and consumption (secondary circuit)
3 utilisation of space for the reproduction (tertiary circuit)
(adapted from Harvey: 2006[1982])

Spatial implications are discussed within Marxist political economy through the formation and acquisition of ground rents. It is through this discussion that locational preferences and differences can be analysed concretely.

4.1.2.1. Importance of Location and Formation of Rents

> "Guaranteed by the laws of private property, every person has the right to acquire monopoly control over definite portions of the globe and depending on their will, they may exclude all other persons from the usage of that piece of land." (Marx, 1991:615)

According to Bottomore (2009[2001]:302), Marx's theory of rent distinguishes him from all others as he considers rent as the economic form of class relations to the land. As a result of this rent becomes a property of social relations rather than the land itself. According to Marx, there exist two types of rent: absolute rent and differential rent.

The difference in the value composition (means of production / labour) between diverse sectors lies at the heart of the absolute rent. Thus, absolute rent indicates relative advantage among different sectors in the economy. For Marx, sectors having lower organic composition of capital (i.e. agriculture), which means labour intensive sectors, have chance to obtain

more surplus value than other sectors as they have the opportunity to exploit more the labour they consist. Differential rent on the other side has two types. First type (DR1) is derived from the difference in return to equal amount of investment made on same quantity of lands having differences of fertility and location. Differential rent of second type (DR2) is obtained out different amount investments on lands having same qualities and sizes.

Bottomore (2009[2001]: 303) indicates that discussions on the monopoly rent are replacing Marx's theory of absolute rent as with the development of capitalism the difference of organic composition between sectors tend to vary less. Seeing this, Harvey argues that rather than utilising the concept of organic composition between sectors (that no longer differentiate sectors) differing class interests may be utilised. He further argues that it is now through these established class interests that the land becomes monopolisable and thus differential. Same as Marx, Harvey (1974) approaches to the question of absolute rents from the perspective of the produced commodities, their value and obtained surplus out of their sale. Different from Marx who focuses on the organic composition of capital, Harvey focuses on the established class power over an urban use (such as housing), class's monopolising control over that resource and the rate of return they obtained out of the utilisation of space. Harvey expands Marx's conceptualisation by considering the activities of retailing and service provision as monopolisable attracting class interests seeking high rates of return in return to their investments.

According to Harvey (2012) the monopoly (class) rent has two sorts. The first one is the monopoly rent obtained out of the control of some special quality of resource, commodity or location. A vineyard producing extraordinary quality grapes can sell wines at monopoly prices (MR1). Or, a commercial activity located a dense and highly accessible place may enjoy selling products at higher prices and enjoy higher rents when compared with others located at ordinary locations. In both cases the difference between socially constructed standardised rents and actual obtained rents "out of the sold product" is seen as monopoly rent. In the second case, Harvey focuses on land or resource rather than the commodity. This time it is the vineyard or the commercial facility which is subject to exchange. As a result, monopoly rent (MR2) is created by limiting the use of the piece of land and by its sale with a speculative future use. In this second type, in addition to the land's specific qualities, the speculative character of the future use produces a difference between socially established rate of returns and rate of returns from the exchange of these special places.

As claimed by Harvey, the production of spatial configurations has to be treated as an "active moment" within overall temporal dynamics of accumulation and social production (Harvey,

2006[1982]). Rents are created as a result of social relations of capitalism and locational differences appear as a reflection of the interaction between social relations of production and spatial properties. Thus, location becomes a social product, the collective product of capitalist social relations.

	Source of surplus	Precondition	Sector
Monopoly Rent	unique productive or locational advantage	utilisation of the land	same sector
Absolute Rent	organic composition of capital (for productive sectors) profit levels (in general)	value added to the product and labour exploitation supply and demand mechanisms	different sectors different sectors
Differential Rent (I)	differences in land qualities (locational or productive)	same profit levels	same sector
(II)	rent gap before and after the investment	same land qualities	same sector

Figure 22: Conditions for the formation of land rents
(adapted from Harvey, 2006[1982])

Despite deep social and economic connotations, spatial dimension is most of the time ignored within the general economic research tendencies. But regarding the urbanisation process it becomes impossible to explain the urban phenomena neither without the concept of location nor with relative locational sensibilities. Different uses have different locational sensibilities. Unlike agricultural activities which are sensitive to both fertility and location; factories, shops and housing are primarily sensitive to location (ibid.). Differences in sensitivities affect the formation of rents as for some uses rent is based on location, for some on the quality of land, and for others rent is considered in relation to both. As different attributes participate differently in the formation of rents, the way the capital has to be invested on land becomes crucial. For sectors other than agriculture, it is hard to reduce the role of locational advantages into just a function of physical movement in space. Usage and exchange of space can be influenced by innumerable factors and locational attributes start to include both tangible and intangible elements (like tastes, fashion and prestige). Considering the case of housing, when basic requirements are met and people have enough money to choose, they tend to prefer housing locations that meet their tastes that have certain popularity, etc. Whereas for production, in addition to the locational attributes mentioned

above, the conditions of the reproduction of labour power, the existing human capital and the labour wages start to play significant roles in locational preferences.

> "Like all such forms of fictitious capital, what is traded is a claim upon future revenues, which means a claim upon future profits from the use of the land, or more directly a claim upon future labour." (Harvey: 2006[1982]:347)

In Social Justice and the City (1973:175), Harvey underlines the difference between moments when the usage determines the value of land and when the value determines the usage of the land. In the first instance, he argues that rents can be considered a logical social distribution mechanism in the hands of dominant production patterns. After obtaining the right to engage in the designated usage, people automatically agree to pay the rent gathered based on that usage. Whereas in the second case, land development occurs in a speculative way, after the establishment of an artificial scarcity based on land rents. In this way it becomes difficult to link the production of space with the main patterns of production and distribution. Despite the general encouragement of social policies favouring the realisation of the former case, monopoly power established around the private property always has the potential to create diversions (ibid:175-6). As a result, considering the overall formation of rents and the production of space, the landowner or the rentier tends to utilise the case that maximises his benefits.

Harvey's explanation about the secondary circuit of capital and his emphasis on the investments on the built environment already initiated the discussion linking capitalist system with the urbanisation process. To bring the discussion about the capitalist system on more concrete grounds and enrich it with different point of views the author would like to introduce the works of (mainly Marxist) thinkers combining the specificities of the capitalist system with the production of urban environments. This discussion will later lead us to the discussion on the production of urban retail systems (as part of the capitalist urbanisation process) and to urban inequalities (as a consequence of the capitalist urbanisation process).

4.1.4. Capitalist System and Urban Injustices

In this final section of the chapter the author would like to investigate the issue of inequalities. The discussion starts with positioning inequalities into the capitalist system as it is always thought that the system unavoidably and continuously produced inequalities. The second part of this section focuses on the injustice issue from the perspective of retailing. At this part

the discussions are expanded with the recent researches on disadvantaged consumers and food deserts.

4.1.3.1. Origins of Injustices

Liberal formulations of the political economic system indicate that the exchange of commodities is the main source of wealth within the capitalist system. It is considered that the creation of wealth is the natural outcome of the market interactions which also allow the distribution of income among factors of production (land, labour and capital) in accordance with their contribution to the created wealth (Ingham, 2008:13). Putting the emphasis on exchange or more precisely on the supply and demand relations brought the assumption of an equal/just distribution of wealth among participants. This position interprets inequalities as an impersonal and implicit neutral mechanism of the invisible hand and links it with the imperfections of the market economy (ibid.). In a system of just and equal distribution of wealth together with the general belief in equality, it is not possible to point out a constant source of surplus value other than 'cheating, forced exchange, robbery and the like' (Harvey, 2006[1982]: 20-1). In Marxist interpretation of the system, the only property labourers have is their labour power which reduces labourers to commodities. At one side labourers are legally free to ‘starve’ if they do not want to participate in the economic system and allow capitalists to exploit them. On the other side, workers need to rely on redistributive mechanisms, mostly of the state, even if just to slow down their deprivation. If we need to understand the underlying structure that produces such injustices, we need to focus on the circuit of capital which continues with the capitalists’ motivation for profit.

Conventional political economic approaches based on the free market economy put their claims on the idea of ‘just’ distribution of resources according to the actors’ participation in production processes. Despite visible inequalities and sufferings, the moral side of this view is backed with the belief in the moment of ‘equilibrium’ when maximum productivity is achieved through perfect competition and efficiency. From a different standpoint, Marx focuses attention on the impossibility of just distribution within the borders of capitalist logic and explains the unfeasibility of equilibrium as described by conventional economists. Based on the control of the production process Marx identifies the channels of distribution and identifies social classes. This conceptualisation casts light on the understanding of who creates the values, who participates in its circulation and who obtains surpluses. Despite the existence of different classes from a functionalist point of view, it is possible to claim that they are all parts of a social division of labour and work for the accumulation of capital. While capitalist classes are motivated by obtaining the surplus value, labouring classes are

concerned by their reproduction. As will be discussed in the following chapters, this separation lies at the heart of urban injustices as it is reflected at different levels of decision making and urban (re)structuring. To understand the logic of capitalism the author would like to follow the Marxist political economic approach through discussions on the production of values.

In Marxian political economic explanations the focus of the analysis moves away from exchange to the production process. It is the production process that lies at the centre as it is where commodity gains its value. During this process, capitalists employ labourers and command their labour power in return for its exchange value. Having the ability to organise the production process (and means of production), capitalists ensure that the value spent for the production of commodities are less than the final value of the produced commodity itself. While this difference creates the surplus value and it also enables capital to grow. Considering the production and remembering the creation of values, the only way to realise surplus value becomes the exploitation of labour power (Harvey, 2006[1982]:22). The relation between labour and capital is the source of surplus value. In value terms, the difference between the use and exchange value of the labour power and the value obtained through the 'socially necessary labour time' gives us the surplus value obtained through the production processes.

So far, the circuit of capital together with its alternative paths and their crisis have been discussed. Within the framework of this research it is hypothesised that putting money and use values into circulation to make more money can be seen not only as an economic mechanism governed by the laws of nature. This socially constructed process effects motivation of capitalist activities and becomes responsible of most of the social and economic inequalities and injustices. Chononara (2009:33) claims that the exploitation lies at the heart of the capitalist system. As mentioned before, the circuit of capital causes the accumulation of wealth from labouring classes to capitalist classes.

Throughout the circulation of capital, exploitation of labourers happens in the production process when the labourers produce value worth some amount of ‘labour time’ and capitalist pays only for their ‘labour power’. The difference between amount of wages based on labour time and amount of wages based on labour power indicates the level of exploitation, effects of which become only visible at a later process. During the consumption process, workers are faced with the prices of commodities which are higher than their cost of production. Despite this difference which leads to the impoverishment of labour classes, they need to consume in order to survive. In other words, workers are forced to live between the

impositions of working conditions to earn wages and market conditions asking more than their total contribution leading to hardship for the sake of profit. As known, there can be no profit without exploitation.

Dependency on continuous accumulation process and existence of several conflicts within the system necessitates political intervention into any capitalist system. The type and intensity of state intervention has varied between different crises, depending on many factors including the type of crisis. The Great Depression that started in 1929 and lasted until late 1930's is considered a crisis of under consumption and over investment. It led to the development of warfare policies that, on the one side, opened up possibilities to reach new markets and resources; on the other side boosted the circuit of production and employment through production of warfare commodities. In contrast to the pre WW2 period, after the war masses living in winning countries benefited from the generosity of their states. State expenditures were directed to the public to keep the circuit of commodity functioning with the help of encouraged consumption. This period called 'trente glorieuses' has lasted until the oil crises of 1973 which later caused the development of neoliberal policies with a different logic and different set of policies but all focused on facilitating the circulation of capital.

With the 1980's, neoliberal policies started to be implemented in most of the developed countries which are then followed by many other countries aiming to follow the path for the 'development'. Although the implications of neoliberal doctrines differ according to "scale and scope of state intervention, forms of labour market regulation, the constitution of institutions of social regulation, patterns of historical resistance and political incorporation, and so forth" (Peck and Tickell, 2008[2002]:40), researches illustrate that neoliberal political economic restructurings commonly consisted of policies aiming at the deregulation of state control over principal industries, actions against organised labour, reduction of corporate taxes, decreasing the functioning of public services and their privatisation, dismantling of welfare programs, facilitating the mobility of international capital, increasing competition between localities, and criminalisation of urban poor (Brenner and Theodore,2008[2002]:3).

The unequal nature of capitalism and attempts to compensate "negative externalities" created out of this nature explain why the question of injustice lies at the centre of Marxist thought and why it cannot be separated from the analysis of the political economy. As capitalists' motivation for the circulation of capital necessitates acquisition of surplus value, exploitation of the labourer and unequal distribution of power becomes essential. Furthermore, in the face of ever deepening social and economic problems, the scope of capitalist intervention goes beyond the production process and touches the areas of

consumption, financing and commerce. Parallel to the expansion of capitalist activities, new forms of exploitation are produced with new forms of social and economic problems. As a result, it becomes no longer possible to limit the extent of exploitation with workers as the exploitation enters the life of many people sharing different backgrounds. As Castells (1983) demonstrates, day by day new forms of resistance occur through the interaction of great diversity of social groups.

4.2. Capitalist System and Retailing

> "Theorising retailing contributes to our understanding of the whole capitalist system." (Ducatel and Blomley,1990:207)

Unlike mainstream approaches analysing urban retail structure as an independent entity functioning in the capitalist economy, within the framework of Marxist urban analysis retail development process is seen as an important sector affecting political economy of capitalist system and in relation to this as an important part of the urbanisation process which is itself a key component of the process of capital accumulation. In this part of the thesis, the same structure developed in previous paragraphs will be followed. The analysis first aims to position retailing within the capitalist system and it is realised with the utilisation of circuits of capital. Secondly the relationship between retailing and urbanisation process is investigated, and actors contributing to this interrelation will be revealed. In the final part, the implications of retail development process for urban injustices will be revealed.

In its most basic form retailing occupies a place between production and consumption. The direct relationship between producers and consumers diversified in the course of time. With the advances in the production and diversification of demand, the existence of intermediary agents became necessary and this gave birth to the retail activity. Conventional interpretation of retailing considers the activity as a self-governing system that is based on the efficient usage of distribution channels and that connects producers to consumers. Developments in the capitalist economy contributed to the specialisation of retail activities and this brought further efficiencies to the system. The circuits of capital fastened. Despite its unique and important position within the economic system it will be misleading to consider retailing as a pure economic activity only linking production and consumption processes. Here, the retail activity is selected as a special case as it is believed that retailing represents more than a simple economic activity and is capable to reflect social and political aspects of capitalism.

Similar to other urban branches / sectors (like industry, housing, infrastructure, etc.) retailing on the one side contributes to the continuation urban daily life and on the other side, plays a key role for the (re)production of the capitalist system. Social importance of retailing, especially the one of organised food retailing is discussed in relation with the social production of wants and needs in contemporary urban societies. To begin with, the author would like to focus on the role of the retail capital which determines a specific instance within the general circuit of capital (Lamarche, 1976; Ducatel and Blomley, 1990). As will be demonstrated it is possible to trace the importance of retailing in all three circuits described previously. By realising this, it becomes possible to contextualise urban retail systems within the general political economic discussions which can further be developed through the discussions on social needs and urban injustices.

4.2.1. The Retail System and the Circuits of Capital

When Marx refers to commerce, with his obvious focus on manufacturing, he calls all commercial activities parasitic considering that merchants obtain profits just through organisation of services without directly contributing to the production process. Furthermore, he adds that with their claim in prices they reduce the profit margins of producers and are considered as one of the faux-frais of production. But in practice it is seen that retailing occupies an important role in the continuation of capital accumulation as it represents specialisation within the circuit of capital and increases efficiency by reducing the costs of producers, by internalising the commercial functions and by decreasing the turnover time. Ducatel and Blomley (1990:211-2), summarising from Marx, identify four important benefits that retailers create being in the economy. Primarily, retailers are specialised on the provision of the necessary capital which is devoted to buying and selling of commodities. Due to this specialisation the capital devoted is much smaller than the amount that the industrial capitalists obliged to finance for the same business. Secondly, with the help of the division of labour, producers become able to convert commodity into money more rapidly. Retailers not only to increase their profit levels but also to survive, speed up the process of buying and selling. Thirdly, with the inclusion of retailers in the production/consumption process they also contribute to contribute to the realisation of multiple turnover times on the side of producers. With the help of this contribution producers become no longer dependent on single turnover time which only includes one way selling of commodities through the producers. Finally, based on the Marx's 'theory of equalisation of the rate of profit' retailers contribute to the generation of surplus values with their contribution on increases in turnover time.

Based on this general analysis it is possible to place retailing in all three circuits of capital. Retailing exists in the first circuit as a functional necessity. In the second circuit it occurs both as an investment opportunity and as a facilitator of consumption activity. In the tertiary circuit retailing appears as a necessary activity contributing to the social and physical reproduction of labourers. Now, the significance of retailing within the circuits will be discussed in detail.

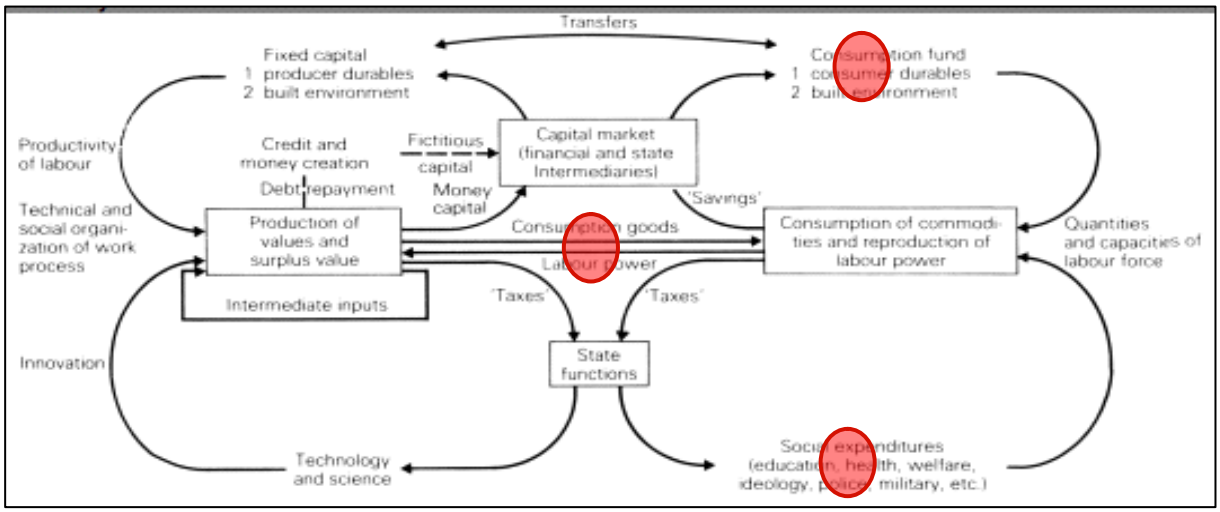

Figure 23: Circuits of capital and the location of retailing (red circulars) within circuits of capital (adapted from Harvey: 2006[1982])

4.2.1.1. Retailing in the Primary Circuit of Capital

The primary circuit of capital is about the production of goods and their consumption. The continuity of the circuit necessitates good functioning of the activities of production, distribution, selling (for the part of retailers) and consumption (for the part of consumers). The contradictory activities of production and consumption are existing in a dialectical way and linked to each other through the activities of distribution and retailing. As a part of its nature, retailing contributes to the primary circuit through its functional presence as the final stage leading to consumption. It is with the help of retailers that the commodity capital transformed to money capital becomes ready once again for other investments. As seen previously, decreasing efficiencies and turnover times force investors to move to other opportunities out of the production process.

In the normal functioning of the activities and in normal conditions of accumulation money invested in the means of production, labour power and raw materials return to producer capitalists with some surplus value and this becomes their basic motivation. But the necessary conversion of commodity capital into money capital becomes a point of friction for producer capitalists needing to use money capital for productive purposes or as the basis for

further investments. So, the commodity capital that represents an intermediary stage needs to be transformed into money capital to become efficient for the circulation of capital. It is the merchant capitalist that facilitates this duty of transforming commodity capital into money capital.

Merchants accept performing this duty in return for a share within the socially created surplus value. Considering that the only source of surplus value is the utilised labour time during the production process, the value of the commodity stays same during the activities of buying and selling. As a result, the producer capitalist and merchant capitalist compete for their share in the same surplus value. The share of the merchant capital (retail capital) is legitimised by the deliberate liberation of some part of the surplus value by the productive capital as merchants help to mobilise the capital stuck in the hands of industrialists by quickly transforming commodity capital into money capital (Lamarche, 1976:88-9). After this transformation process (M – C – C`– M`), the difference between M and M` becomes the profit for industrial capitalist whereas the difference for the commercial capitalist the difference between C and C` becomes the source of profit. Before selling the product in the market the retailer makes an investment and takes risk by directly buying the commodity from producer. The risk that retailers took through this exchange returns to them as profit and the risk involves the key features of the consumption sector which are the volatility and unpredictability (Ducatel and Blomley, 1990:215).

4.2.1.2. Retailing in the Secondary Circuit of Capital: Investments in the Built Environment

The primary circuit of capital offered the most direct way of surplus creation. But due to the internal contradictions of the capitalist mode of production there happens some moments (i.e. at the moments of crises) that investments in other circuits is considered to be more profitable. The capital moves out of the primary circuit and starts to be utilised in other circuits. Those relatively indirect investments made for the enhancement of the production and consumption side of the circuit of capital and called as secondary circuit investments. For the case of secondary circuit, the capital can be invested for the productive processes in the form of fixed capital or for the consumption activity in the form of consumption fund[24]. In relation with this division, Harvey separates the built environment investments into two. Ones directed to production and others directed to consumption. Here it is argued that retail

[24] Consumption Fund: the part of national income that is used for individual and social (nonproductive) consumption. The necessary product and part of the surplus product are the source of the consumption fund. In physical terms, the consumption fund is embodied in consumer goods (definition taken from the The Great Soviet Encyclopedia (1979), http://encyclopedia2.thefreedictionary.com/Consumption+Fund).

developments either in the form of investment (prioritising the exchenge values) or in the form of commercial activity (prioritising the use value) have direct implications on the realisation of secondary circuit.

Consumption fund when seen as a “fund” is understood as monetary and credit provision for consumers to booster the consumption activity and to eliminate excess production. But when one considers the provision of same resources for the construction of consumption environments it becomes a different subject. Such money or credit when directed to the construction of built environments, at his point we can emphasise the construction of retail environments, the process produces two kinds of spatial elements. On the one side there exist retail developments, as investments, realised to obtain profit out of their sale at higher prices than investment costs. These transactions prioritise exchange values and may include both the retail properties and the retail facilities. On the other side, construction of retail environments may be realised by considering their use values which facilitate or differentiate consumption practices to contribute primary circuit of capital. Although the option separately explained for the sake of clarity, in practice it is hardly possible to separate them. As Marx point out, things must first have a use value prior to obtain an exchange value, as useless things cannot be exchanged. Relationally, a shopping mall that is still in use can be considered on the basis of its property value or can be subject to a sale due to its future property values.

Investments on retail environments can also be beneficial for the production as they enable the discovery and introduction of new markets and new consumption patterns into the capitalist system and may help reduce costs for the transportation of goods. Through such developments on the one side producers find new ways to eliminate over produced commodities but on the other side and may be more importantly investors discover new investment opportunities that have higher rates of return on investment with their excess capital (Feagin, 1987; Harvey, 2006[1982]).

Regarding the secondary circuit investments, mostly focusing on housing (Harvey, 1973) and office production (Feagin, 1987), researches show that the state and financial institutions are playing important roles in the formation of built structures. The state normally provides the basic infrastructures including the vital transport networks, sometimes minimises the effects of regulative planning decisions, building codes and zoning restrictions[25]. By doing so, the

[25] State, at the local or national level, also tends to intervene into the market to correct the distorted mechanisms of competition. The facilitator role of the state during the moments of normal condition of accumulation or during the economic crises can be replaced with a much stricter state whose interventions aim to regulate market

state, both at the local and national level, offers (to greater or lesser degree) unobstructed, deregulated urban, regional or national environment for investments[26]. Furthermore, state at different scales also encourages investors through tax incentives and aids through government funds (Feagin, 1987). On the other side, financial institutions occupy a complementary position that state incentives cannot fill easily. They provide necessary credit for investments and in return to this provision they expect profits. The presence of finance capital is also important for the consumption side as institutions lend money, in the form of consumption fund (consumer debt, credit cards, HP, housing mortgages etc.) to support the consumption side of the system.

Regarding the government intervention in retail developments, one can see that such developments, independent from the scale of the development, they are always welcoming governmental support. While large scale retail investments are more dependent on infrastructure provision, small retail units are benefiting from the existing infrastructure networks. From the point of view of capital, depending on the amount of capital that retailers have and on the revenues they are expecting to receive, state investments may have differing importance. Deregulated planning frameworks are considered necessary for most of the large capital, multinational firms to realise their investments. Such firms do not rely on state support and they are generally constructing their infrastructures unless they are permitted to occupy the site that they desire and unless they are permitted to connect their infrastructure (including roads, electricity, clean water and sewage) to main networks. Small retailers, on the other side have to deal with legislative and provision issues at the more local level and for their larger investments; due to their lack of capital they are more in need of state support to reduce initial investment costs. Considering the utilisation of credits, not only retailers but any sector in the economy need borrowed capital for their investments exceeding their capital savings. A different situation may occur during turbulent economic periods. As happened in Turkey during 1980's, due to high inflation rates, instead of making investments on primary and secondary circuits investors benefited from higher interest rates provided by banks and had chosen to experience this opportunity (in financial sector investment) in preference to others with lower rates of return.

Despite having the capacity to offer solutions against the effects of the crises in the primary circuit of capital the secondary circuit has its own set of contradictions. Heavy and fast

conditions so that the market mechanisms will not create negative externalities (i.e. monopolies) neither for the side of competing parts nor for the consumers and ensure the accumulation of capital until a visible future time.

[26] Deregulation on space does not affect each actor evenly. At the end of this process some actors (capitalists) may gain much more advantage than others and as a result state activity may condition the scope for local spatial monopolies

investment in the built environments combined with the deregulated legislative framework can cause another crisis of overproduction, in the second circuit. While the speed of investments leads to compromises over the physical and environmental quality, the amount of building investments creates the problem of overproduction. According to Feagin's (1987) research about the production of office spaces in Houston, Texas; the crises of overproduction in the secondary circuit leads first to vacancies which is followed by devaluation and bankruptcies within the development sector. On the side of retailing it is possible to observe similar dynamics. Considering the limits of the purchasing power, overproduction of shopping malls leads to higher vacancy rates on older ones and causes the disappearance of small scale retailers who cannot resist in conditions of crises. Different from housing sector and office construction, retail sector represents more dynamism and adaptability to the varying economic conditions. Although for some capital-weak retailers the crises represent a drastic moment, for more powerful ones these moments offer opportunities for development through mergers and acquisitions.

4.2.1.3. Retailing in the Tertiary Circuit of Capital: Reproduction of Labour Power

The "society of consumers" which is backed by the increasing importance of consumption not only in the formation of urban economy but also in the continuation of our daily lives brought the discussion to the utilisation of retailing in the tertiary circuit of capital. In its conventional sense, the third circuit of capital encompasses social investments in science and technology. Leaving aside the investments in science and technology, the author would like to focus on the social investments which basically aim at the social improvement of working classes, their more active participation to the economy and enhance their contribution to the flow of capital in an indirect way, from the point of view of capitalists. Moving away from the capitalist class perspective, benefiting from such investments is considered to be a precondition for a just urban living with equal accessibility to social amenities and unrestricted participation to socio-cultural practices.

Despite the acceptance of interrelation between different circuits of capital and their influence on the retail development process, the research emphasises the importance of the third circuit of capital in the reproduction of labourers. Knowing that in the world of advanced capitalist societies the (in)accessibility to retail facilities causes the formation of food deserts, disadvantaged consumers and various health problems, thus putting the problematic of accessibility at the core of the research was necessary. To underline the importance of this part and despite the risk to move focus away from the production of urban retail environments, the author wants to discuss the activities of consumption, its relation with

labourers' reproduction and the social production of needs and wants; before returning to the point of urban land rents and formation of values which is considered to be the principal factor affecting locational choices of retailers and thus to their accessibility. Social expenditures targeting the betterment of labour conditions indirectly contribute to the production processes either through increasing efficiencies or through increasing consumption.

The discussion about the tertiary circuit of capital follows what Castells[27] tried to demonstrate in his seminal works City, Class and Power (1977b) and Urban Question (1977a). At the moments when primary and secondary circuits are less profitable, investment opportunities covering technological and social investments are considered as a third alternative for the accumulation of capital. Although, compared with primary and secondary circuits, the turnover time of the third circuit investments is long; capitalists accept to divert investments into the third circuit and agree to receive revenues in the long run in order to avoid devaluation of their capital at the present time. Considering the case of retailing, the third circuit of capital becomes important both in direct and indirect ways. In the direct side, technological developments and investments to enhance the human capital working in the retailing sector covers considerable part of organised retailers. The competitive nature of the sector necessitates these kinds of investments as they can bring long term competitive advantages to retail firms.

On the side of indirect relations, investments in the retail sector, especially in food retailing can be considered as those investments contributing to the reproduction of labour force especially when they are addressing disadvantaged neighbourhoods. Despite the emphasis given to major public services like education, health, etc. considering the contemporary importance of consumption, accessibility to retail facilities becomes as important as accessibility to public services. These issues will further be discussed within this section under the title of the social production of needs in Chapter 5.

4.2.2. Retailing Location: Spatial 'Cherry-Picking'

As illustrated above retailing have important implications for the capitalist political economy both as a functional necessity for present utilisation and as an investment potential for the future. Its material implications are not limited with its place in economics and politics. In this

[27] The importance of reproduction for the labour class will be discussed with reference to Castells work establishing the link between urbanisation and means of collective consumption in detail in the following chapter on Marxist responses.

sections retailing's spatial importance will be investigated in detail. Through this investigation the author intends to find out some clues about the relationship between the dictates of the capitalist political economy (based on competition and maximisation of profit rates), retailing's locational preferences and spatial injustices that will be discussed in the final section of this chapter.

Retailing, being a complex system, is shaped by both internal and external dynamics and these dynamics by no means affect retail activities' locational decisions.

Externally the global shrinkage in the world markets and intensified competition for surplus values both between retailers and between retailing and other sectors cause to several changes. Internally, retail firms passed a period of financial disciplinisation to decrease their costs of functioning. New management techniques and personnel acquisition policies led to an increase in unqualified, part time majorly female labour force in retailing. Decreasing consumer power on one side, and diversification of consumption patterns on the other forced retailers to focus more on product development, advertisement and consumer relations. Additionally, as the retail capital got stronger within the economy retailers started gained immense advantages over producers and distributors, and are able to reduce their costs to a considerable degree. Outsourcing the production, own-branding and development of distribution channels are some of the recent developments that retailers took advantage of.

Retailing is always considered as a very dynamic sector which is in constant change and adaptation. This is by no means a creative destruction process. Those firms who can internalise necessary changes, become able to survive within changing forms of capitalism including the present stage. Others, mostly small scale, labour intensive, capital weak, traditional retailers got disappeared either through mergers and acquisitions or faced bankruptcy.

In this period of intensified competition the locational advantages becomes crucial between retailers. As Clarke (1997) points out firms' existence within the economy equated to their presence in advantaged locations. Retailers, deciding on a location, have to consider both the commodity prices they are utilising for selling the products and ground rents they have to pay and as the major input-output resources.

In value terms retailers do not add any value to the commodities and their legitimate claim needs to cover the transportation and servicing costs (if exists any).The profits they obtain cannot be called as surplus value in Marxist terms as this is totally out of the system of value

creation and retail activity is not a value creating activity, neither in terms of machinery and labour usage or exploitations. But it is still linked to the production processes as the absolute rent that retailing creates is a fictitious one which is legitimised by the social relations of production that is due to the diversification and specialisation within the production sector. Considering inter-sectoral differences, they are only effective at the level of absolute rents when they influence profits. On the side of landowners, they consider the rents they will obtain, either be the product of productive activities as a part of surplus value or be the return from commercial functions as a part of 'parasitic' gains that are also called profit.

As a 'parasitic' sector not productive in its nature and despite their domination over producers, the sector is still highly dependent on price of commodities. When retailer's power over producers cannot exceed certain limits (limits enough to enable producers to keep functioning with a suitable rate of return) or when all retailers receive products at same prices (disappearance of product price advantages) retailers become dependent on locational advantages as the only source of monopoly rent (MR1). In addition and apart from the commercial activity, those places that retailers occupy can also be subject to exchange and thus be considered as advantageous. As a result of this relative locational advantage that is reflected on property values a second form of monopoly rent formed (MR2). It is a well-known fact that many large scale retail companies have land banks that not only seek for best locations for retail activities but also selling of unused spaces and acquiring others having potential to develop.

Location factor becomes more significant regarding the differential rents. To obtain differential rents some retailers benefit from locational advantages which means advantageous urban locations that enable retailers to reach advantageous consumers. These advantages can be classified into two as done for the classification of differential rents. In the first case, some retailers, in return to their equal amount of investment to places sharing similar qualities (in terms of infrastructure and superstructure) may obtain relatively higher returns. In other words retailers occupying better locations obtain higher revenues. The difference is the result of differential rent type one (DR1) which appear as the result of a locational difference. In the second case, retailers may obtain differential revenues from qualitatively and locationally similar places in return to their differential investment. This time retailers' differential gains comes from an external and controllable factor, which is the amount of investment. Investments in architecture, parking areas, green areas surrounding the retail facility or provision of a children's playground can be seen as investment factors that enable retailers to enjoy from second type of differential rents (DR2).

The dynamism of retailing affects both the formation of differential rent type one and two. For the case of DRI, as a result of changing urban dynamics (like development or decline), advantageous locations within a city may change. In addition to urban dynamics, the accumulation of retail firms at one location may lead to the supply saturation and without any external intervention, the retail development negatively affect itself and causes to the decreases in the extraction of differential rents. On the same vein, as a result of intensified competition between retail firms, those having low capital concentration may leave some important places while strong ones start to dominate advantageous environments and produce differential rents based on their 'small monopolies'. For the case of DR2, retail firms that are able to perform investments to increase their adaptability to chancing competitive retail environment obtain advantages over others lacking these investments.

Considering the complexity of the retail development process and retail practices, it becomes very difficult to separate which part of the gain comes from DR1 and which part comes from DR2. In practice, in the very competitive retail environment retailers do not have the luxury to benefit from one of these options. Thus, retailers do their best to maximise their gains from both location and investment vice.

If retailing would be a productive sector in its essence, the competition of retailing with other sectors in the economy brings the discussion to the issue of absolute rents. But this is not the case. To be able to utilise the concept of absolute rent to analyse differential advantages between different sectors, one need to investigate the organic composition of the sectors which means the ratio between means of production and labour power contributing to the production process. Retailing is not a productive sector and retailers do not obtain their profit out of labour exploitation. The source of profit for retiling comes from the share that producers are willingly to give away and retailers are maximising this share by realising internal adjustments which includes factors mentioned before and significantly the locational decisions. So the analysis of the organic composition of the sector will not enable us to compare the sector with others and as agued by Harvey, one need to replace the concept of absolute rent with (class) monopoly rents that better reflects sectorial differences in obtaining rents. Finally, considering the retailers' dispersion over urban areas and their economic power, the lands they occupy can be seen as source of class monopoly rent although retailers do not act with class consciousness.

There is evidence that the concentration of capital (and thus of power) in retailing tends to be particularly marked and this in turn can weaken the relative power of upstream capital

(agricultural and other food producers) and of (downstream) workers who are the consumers of the retail product.

As a result of this concentration, retail sector becomes one of the most powerful economic sectors not only at the national level but also at the global scale (Deloitte, 2013). According to Forbes annual company reviews, there exist 10 retail firms (mostly food retailers, being Wal-Mart the 3rd) in the top 100 of the annual ranking of the world's largest corporations. This increase in economic power illustrates the competitive power of the retail sector over others and also the relatively higher rates of returns when compared with other sectors in the economies. These concentrations of power within retailing have an evident spatial dimension and it is spatial monopolies and oligopolies which affect consumers and perhaps spatial monopolies which affect upstream capital. At the local scale, this competitive advantage concretise over the domination of land uses. Planning great amounts of commercial land uses, even if they are thought to be used in the far future, together with increasing number of commercial facilities (i.e. shopping malls) all around the world illustrate the case at concrete terms. As will be expanded later, in addition to all such (internal and intra) sectorial considerations, the presence of central and local governments, their influence on planning institution all play an important role in all spatial decisions at all scales from regional to street level.

In a system where the space occupies a major role in the continuation of the firms, retail representatives have to cooperate with urban policy makers (both at the national and local level) to obtain advantageous locations. At the first step, retail representatives with their monetary and political power, try to establish pressures over ruling representatives for the production of enabling laws and regulations. Through these kind of deregulatory policies retailers aim to diminish spatial barriers, enable their free entry and exit from the land (use) market, and thus aim to guarantee maximum returns for their spatial investments. At some moments when free market conditions do not prevail in favour of retailers (regulations for retail competition, limits on monopolisation, efforts for the reduction of unequal retail accessibility, etc.) through political and legal interventions retailers passes to second step strategies where retailers accept to play within the rules of the game rather than changing them. This time, to maximise their profit, retailers produce legislative, organisational or technical "shortcuts". Among these shortcuts, there are some related with internal organisation of retail firms, like employment of uninsured employees, increases in their working hours, cuts from aids are common strategies. In addition to this, as Guy (2002, 2006), Wood et al. (2006) and others demonstrate, retailers create spatial shortcuts as well. Increasing the retail floor area by adding extra floors within the existing facility, vertical

growth towards ground level and utilisation of parking spaces or play grounds for retail purposes are common strategies retailers produce to overcome legislative and spatial barriers. In fact, such strategies illustrate how the dynamism of the retail sector overcomes the clumsy legislative and regulatory structures. In such cases, where retailers (or capital interests in general) defines the rules of the game or bypasses established rules through shortcuts, the last crisis of capitalism, the production of social and economic injustices becomes unavoidable.

Space then becomes the place where necessities of market mechanism, spatial selectivity of retail investments, inadequacy of regulatory mechanisms and bodies, and the needs and desires of the ordinary citizens concretise. With these words, the section continues with urban injustices and their relationship with retailing.

4.2.3. Retail Change: In Search of Survival and Profit Maximisation

The profile of retail activity which was once characterised by small and individual stores, started to change due to a number of social, economic and technological transformations affecting both the demand and supply side. From the demand side these were due to: changes in residential location; growth of female employment; increases in purchasing power; level of mobility (cheapening and expansion of motorcars) and amount of leisure time; changes in the attitudes, expectations and preferences; and technological advancements (refrigerator usage in homes for instance). The supply side also transformed itself due to: diversified product ranges (product innovation); new shopping typologies; the creation of specialised niche markets; and by giving emphasis to consumer relations by helping them to identify consumer demands and preferences. As a result of diversified consumer demands, retailers increased and diversified their product ranges and together with economic gains, retailers expanded their average sizes. Retail companies experienced ownership concentrations through take-overs and sectoral mergers. This process increased the number of big retailers while small retailers started to disappear because of losing their economic competitive position. Ducatel and Blomley (1990) demonstrate the increasing share of grocery multiples both within the USA and the UK. They indicate that in the USA, five of the largest grocery chains controlled 23.5% of the grocery market in 1985 while grocery multiples controlled 66.8% of the grocery market in the UK in 1983. Langston et al. (1997) report more contemporary information and mention that in the 1990's, 30% to 40% of the British grocery market was controlled by three big multiple retailers.

In the leading developed countries, retailers became one of the most innovative sectors with their usage of information technologies (Wrigley and Lowe, 1996). Technology not only helps retailers to manage their stock and distribution systems but also enables further economies of scale (Bromley and Thomas, 1993:4). The shift from counter service to self-service, utilisation of EPOS (electronic point-of-sale) to monitor both the commodity flows and staff performances are other contributions of information technologies. In terms of organisation, retailers became more flexible than before. Economies of scale realised at the organisation level permitted big companies to diversify their store ranges and gave them the ability to penetrate into small markets (like Tesco Express and Sainsbury's Express stores). Apart from their flexibility with different manufacturers and suppliers, retailers shifted from male dominated relatively skilled and full time contracted labour force to female, low-skilled and part time (or sometimes no time) contracted or casual workforce. Highly skilled, specialised and well paid professionals working on command and control retail functions only make up a small part of retail labour.

The increased opportunities of telecommunication and information contributed to the global expansion of retailers. At the global scale, parallel to the concentration of retail capital, retail corporations opened branches in different countries. This internationalisation process intensified the challenge at the international level and brought global inter-firm challenges into local markets. Within this process, globalised retail markets cause the homogenisation of the geographies of consumption (as sometimes called McDonaldisation) and contribute to the creation of a global consumption culture with similar tastes and desires. Additionally, as a result of sharpening variations in socio-economic profiles, new consumption patterns emerge and lead to the creation of specialised niche markets.

A "retail revolution" happened and brought advantages as well as disadvantages to consumers. On the one hand, retail concentration let retailers benefit more from economies of scale. It allowed retailers to cut down the prices, make quality improvements and increase product ranges. New organisations allowed consumers to make bulk retailing and time saving advantages. Shopping environments also improved and reached a degree of standardised comfort not only attached to internal architecture but also to ambience, open space usage and recreational possibilities. On the other hand, increasing competition and the constant search for excess profit lead firms to be very selective in their decisions. This selective development process not only limits the beneficiaries of the retail revolution but also decreases the opportunities of the less favoured consumers. Small retailers, once serving the majority of the population, are now decreasing in number due to unbalanced economic

competition in many countries. Capital and spatial constraints limit their development potentials and decrease their chance of survival within the retail environment day by day.

4.2.4. Inequalities and Retailing: Disadvantaged Consumers and Food Deserts

Food retailing occupies an important part of general retailing activity. In addition to its economic significance, food's basic role in human survival make grocery retailing especially important in the analysis of disadvantaged consumers and food deserts. Although the scale and efficiencies of large retailers made food much cheaper and more accessible than it has ever been and aggregate accessibility to food retailers increased, some people are unable to take advantage of these facilities. This difference of accessibility to food makes it a social marker determining the level of social and economic exclusion. As Robinson et al. (2000:122) rightly point out, "We are what we eat" transformed into "we eat what we are"

The provision of food products is something historical and developed together with processes which happened hand in hand: the maturation of capitalism and development of the industrialisation of food markets. Steel refers to the Charles Booth's survey Life and Labour of the People [of London] dated 1903 and points out that 97.5 per cent of city's population lived in grim conditions whereas 30 per cent of them had to live under the bread line. She than concludes that:

> "What was becoming clear was that leaving the food supply solely to the 'hidden hand' of commerce had its downside. While the nascent food industries were very good at producing and transporting food, feeding the urban poor was not their goal. Left to their own devices, they naturally sought to maximise profits, which meant targeting those who could afford to pay." (Steel, 2008:92-3)

It is not possible to understand the effect of the retail revolution in increasing inequalities without considering its spatial implications. This process locates most of the advantageous big retail formats in out-of-town places where accessibility could only be fully realised with a private car. Those organised retailers that could locate themselves in urban areas act in a very selective way. They work hard to identify the best locations which provide guaranteed returns for their investments in acceptable time periods. As a result of this careful spatial distribution process, populations with social, economic or physical handicaps, cannot access advantageous retail facilities. It then becomes possible to claim that the benefits of the retail revolution affect only the more mobile, middle and upper status groups (Bowlby, 1985) and

bypass disadvantaged consumers (Bromley and Thomas, 1993; Williams and Hubbard, 2001).

Today, in advanced capitalist societies food provision is mostly realised through capital intensive chain stores that dominates greater parts of the national food markets. Supermarkets offer wide range of fresh products and unprocessed food at less expensive prices than convenience stores are important source of affordable and nutritious food (Smoyer-Tomic, 2006). And as the importance of food distribution in contemporary cities is recognised by many, the issue enters into the agenda of not only urban planning but also public administration, public health, retail geography and welfare geography.

In daily practicalities, the unevenness observed in different areas of urbanisation, retail provision is also subject to inequalities. The examples of this discussion are provided in the literature review chapter under the heading of disadvantaged consumers and food deserts. Examples illustrate different cases at different spatial and temporal contexts. The common point linking all cases was the capitalist logic under which urbanisation and retail production processes realise. In all cases equalities produced in the working conditions accentuated with the locational choices of food retailers seeking to maximise their profit.

The nature of this market logic is perfectly described in a report prepared by the UK Competition Commission[28] about the location choices of the organised grocery retailers. The Commission defends the idea that "there is no systematic link between the locational strategies of supermarket operators and restricted access to groceries". It is further claimed that "supermarkets are not systematically avoiding low-income urban areas, nor do they appear to be exacerbating any isolated problems of grocery access that might exist by withdrawing from those areas" (Competition Commission, 2000:313 quoted in Wrigley, 2002:203). Commission further asserts that the selective character of the market logic is highly observable in urban space, but adds that the selection process is considered to be unsystematic. This manifestation of the Competition Commission although tries to hide the unjust character of the market logic through its "unsystematic" nature, the report itself can be considered as a sign indicating internalisation of market logic and acceptance of the implications of this logic as "natural" in the understanding of the UK Competition Commission.

[28] The UK Competition Commission is an independent public body whose members are appointed by the Secretary of State for Business, Enterprise and Regulatory Reform. The commission conducts in-depth inquiries into mergers, markets and the regulation of the major regulated industries. Its mission, as described in the web site, is to ensure healthy competition between companies in the UK for the benefit of companies, customers and the economy (http://www.competition-commission.org.uk).

4.3. Conclusions

In this section the basic principles of the capitalist system, its functioning, its contradictions and socio-economic consequences of these contradictions are analysed. Harvey's (1985a) approach about the circuits of capital is utilised as the guiding framework both to understand the dynamics of urbanisation and forces that influence retail production processes. After describing the basics of the capitalist system and the requirements for its continuation the role of the space is discussed. Both as a means and as a commodity, it was seen that space plays a very important role within the capitalist political economy. The principles of the capitalist political economy and utilisation of space for the survival of the system are synthesised with the determination of the role of retail activity and retail capital within the capitalist framework. After the synthesis, it is seen that any attempt separating the retail activity from the general circuits of capital, from its social and economic implications and thus from the general process of urbanisation will bring researchers and policy makers to an ill-defined research area. To end up this chapter, as a part of the comprehensive approach to retail activities, the author would like to emphasise the importance of retail activities in the processes of reproduction. As illustrated at the end of the second chapter, the neglect of this aspect of retailing (especially the food retailing) and leaving it into the hands of free market dynamics lead to the very negative consequences like the formation of a large group of disadvantaged consumers and development of deserted spaces from retail practices that are called food deserts.

When broader mechanisms of capitalism are reflected on locational sensibilities of retailers (or other economic activities performing under free market rules) the issue comes to be a matter of land-use struggle in urban planning terms. Harvey (1973) approaches to this issue from the perspective of land rents and argues that the condition about determination of land-use prior to the determination of land values seems artificial. He points out that landowners do not release their land for utilisation until they receive rents that they desired, regarding to the social average. In contrast to this, when the use of land is defined (through planning decisions for instance) independent from the rent it will yield and based on social concerns and necessitates, the land-use decision creates conflicts. Within free market mechanisms, the power of private property and individual interest hardly enable the realisation of any situation which represent the second case. As a result not only collective needs are put in danger in favour of individual ones, but also the chance to redistribute collectively crated values disappears. The author believes that both the locational sensibilities of retailing and the general urbanisation process (with all its components like housing, transportation and infrastructure provision) need to be considered from a similar perspective. As will be

illustrated later, retail development process is affected by consumer characteristics much more than land rents in the case of Ankara. But, considerations on individual profit maximisation over meeting social needs stay the same for all capitalistic minds and this constitutes the most important think that has to be derived from Harvey's case.

The aim of this chapter is to provide the background information for the analysis of urbanisation process and urban injustices. In the course of development of the research, the chapter further contributes to it by providing tools to relate broader concepts of capitalism to case specific realities. In this chapter it is concluded that capitalist system functions with the profit maximisation motivation and produce competition conditions between individual aiming to maximise their profits. As the case of retailing also proves, this capitalistic competition at one side produces monopolies on the other side creates inequalities. As will be seen later this finding will constitute the basis of all political economic decisions that cause to the transformation of regions, countries and cities.

Discussion on the capitalist system and retailing terminated with special emphasis on injustices. The issue of injustice is much more than being an outcome of these processes. The author argues that injustices occupy a very significant position within capitalism both being its engine and responsible of its crises. Hints of this significant position discussed in this chapter. But, the question of injustices needs to be investigated particularly and the coming chapter, Chapter 5, is devoted to this purpose.

5. POLITICAL ECONOMY OF INJUSTICE

In chapter two, it was demonstrated that the conventional approaches to retail geography and production processes only explain the social, economic or psychological motivations behind retailers' or consumers' behaviour and their resulting patterns with in uncritical way. Despite partial gains, these approaches did not let the author get deep inside the retailers' motivation, retail production mechanisms, their actors and thus the reasons producing injustices. The third chapter dealt with the (re)discovery of the capitalist system through the Marxist point of view and with special emphasis on space and retailing. With the help of the third chapter the author was able to gain knowledge about the sources of the retailers' motivation (which had already been proved by conventional theories) and thus able to conceptualise the capitalist system from the Marxist point of view. Considering the point that the discussion on capitalism reached, the author now focuses on the question of inequalities and one more time analyse it within the Marxist framework. Throughout the analysis the discussion further develops around other issues and sheds light on the urbanisation process, retail production processes and actors performing in them.

The Marxist analysis of the question of injustices initiates with an investigation on the production process as the principal mechanism differentiating people as, those controlling means of production and those selling their labour for the continuation of the production. In this process, Marx argues that while capitalists owning the means of production, enjoy the earnings from the surplus value, labourers got deprived due to exploitation. As a result of this separation people got separated in terms of patterns of consumption and reproduction and in terms of creation of needs and desires. This separation based on class differentiation is demonstrated by Marx and as a contribution to the Marxist discussion; the author argues that the question of injustice lies at the heart of this differentiation as people do not have equal means in meeting their needs and desires. There is no doubt that the creation and development of cities coincides with meeting differential needs and desires. The Marxist point of view indicates that the production of urban environments only meets the needs and desires of particular classes, facilitates the exploitation of others and thus contributes to the continuation of capitalist system. As presented in the following discussion the urbanisation process under capitalism follows this trend and with particular instances, accentuates the development of inequalities and injustices.

The chapter starts with the injustices in production, consumption and reproduction processes. Urbanisation of injustices and its actors comes afterwards. Here the particular role of the state and resistances are discussed in detail. In the final part, Marxist framework

is utilised to synthesise the three main subjects of the thesis; capitalism, the urbanisation process and injustices. With this discussion the Marxist theoretical framework is terminated and the way particular cases differentiate from the general framework will be discussed in the following section regarding the case of organised food retailers in Ankara.

5.1. Injustices in Production, Consumption and Reproduction

The interrelationship between production, consumption and reproduction is a good illustration of dialectical thinking. Although the political economic critique of Marx starts with the production process, he unavoidably touches upon the consumption and reproduction processes as production cannot be realised without consumption and reproduction. Production has no meaning if produced commodities are not consumed and if labourers cannot reproduce themselves and become ready for production, through consumption. Preteceille and Terrail (1977:40) referring to Marx, claim that “if consumption appears as a moment in the social process of production, it is because the individual consumes ‘as a productive and self-producing individual’; it is because the agents of consumption are the agents of production, and their needs derive from the position they occupy in relations of production”. In Marxist thinking, reproduction is considered as a moment in the theory of the mode of production as the issue of reproduction is tightly linked to the production and transformation of use-values, social relations of production, and thus of needs. To conclude, Preteceille and Terrail (ibid.:128) consider consumption as an aspect of production, a form of production in which man reproduces himself.

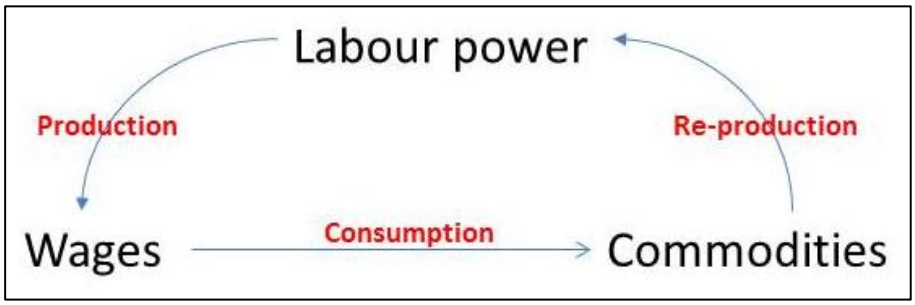

Figure 24: Interrelation between production, consumption and reproduction (Source: illustrated by the author)

The relationship between different sections of the economy (production, consumption and reproduction) with elements of labour formation can be observed in the graphic above. The worker exchanges his labour power for wages during the production process and the labour power being effectively consumed in the process of production. In exchange for his labour, the worker earns wages and purchases commodities. The consumption of commodities makes possible the reproduction of labour power as the worker meets his needs for the continuation of his life and labour. This circle, as the circulation of capital, continues and

develops in the course of time and so did the circulation of capital, it contributes to the creation of inequalities and injustices at each and every circuit.

After demonstrating the relationship between production, consumption and reproduction, the author would like to discuss each of the three processes in detail so as to reveal how these processes contribute to our understanding of inequalities in the capitalist mode of production.

5.1.1. Production

> "Exploitation is making use of some vulnerability in another person in order to *use* them to attain one's own ends at their expense. In particular, wage labour is a form of exploitation in which the working class is exploited by capital." [29]

Liberal formulations of the political economic system indicate that the exchange of commodities is the main source of wealth within the capitalist system. It is considered that the creation of wealth is the natural outcome of the market interactions which also allow the distribution of income among factors of production (land, labour and capital) in accordance with their contribution to the created wealth (Ingham, 2008:13). Putting the emphasis on exchange, or more precisely on the supply and demand relations brought the assumption of an equal/just distribution of wealth among participants. This position interprets inequalities as an impersonal and implicit neutral mechanism of the invisible hand and links it with the imperfections of the market economy (ibid.). Additionally, the moral side of observed inequalities and sufferings, is backed with the belief in the moment of 'equilibrium' when maximum productivity is achieved through perfect competition and efficiency. It is believed that at this moment people start to receive just returns in accordance to their contribution to the economy. But as Harvey points out, in a system of just and equal distribution of wealth together with the general belief in equality, it is not possible to point out a constant source of surplus value other than 'cheating, forced exchange, robbery and the like' (Harvey, 2006[1982]: 20-1).

In contrast to liberal formulations, in Marxian political economic explanations the focus of the analysis moves away from exchange to the production process. It is the production process that lies at the centre as it is where commodity gains its value. During this process, capitalists employ labourers and command their labour power in return for wages they provide. Having the ability to organise the production process (and means of production), capitalists ensure

[29] Definition taken from the Encyclopaedia of Marxism, Glossary of Terms, http://www.marxists.org/glossary/terms/e/x.htm)

that the value spent for the production of commodities are less than the final value of the produced commodity itself. While this difference creates the surplus value, it also enables capital to grow. Considering the production and remembering the creation of values, the only way to realise surplus value becomes the exploitation of labour power (Harvey, 2006[1982]:22).

From a different standpoint, Marx focuses attention on the impossibility of just distribution within the borders of capitalist logic and explains the unfeasibility of equilibrium as described by conventional economists. Based on the control of the production process Marx identifies the channels of distribution and identifies social classes. This conceptualisation casts light on the understanding of who creates the values, who participates in its circulation and who obtains surpluses. At the final analysis of the Marxist thought capitalist classes are motivated by obtaining the surplus value, labouring classes are concerned by their reproduction.

In the capitalist system, the only property labourers have is their labour power and this approach reduces labourers to commodities. Despite negative consequences of the exploitation and compulsive working conditions labourers are legally free not to participate to the economic system and let capitalists to exploit them. But in practice, this decision only fastens the deprivation of workers cause to extensive losses in their material and social conditions. Out of the capitalist system, out of the wages provided by the capitalist, labourers would not find material resources for the survival. This necessitates their "voluntary exploitation" and offers the intervention of third party groups (like the state) as the only possibility to control and regulate capitalist exploitation.

5.1.2. Consumption and Reproduction

> "Production produces consumption: i) by providing the material to consumption; ii) by determining the mode of consumption; iii) by creating in the consumer a need for the objects which it first presents as products." (Marx,1977: 197)

Consumption is a complementary activity to production so that products are moved out of the producers' hands. Realised sales prepare conditions for further productions and further circuits are realised for the production of surplus value. In addition to its direct contribution to the production, consumption activity becomes necessary when labouring classes are considered. Workers need to consume to reproduce themselves and to maintain their effectiveness in the production process. Due to this two sided dependency on consumption, capitalist classes establish hegemony over consumption activity (as they did for production)

“embourgeoise” it for their benefit. The embourgeoisement has two facets over consumption. In the first one, the exploitation process materialises in the consumption process when labourers aim to meet their needs. As the prices of commodities are higher than the costs of production (including wages) each purchase delivers an increment of profit to sellers. In the second facet, there exist capitalist efforts to move consumption activity away from what is necessary. Preteceille and Terrail (1977:3-4) argue that these efforts lead society to an excessive market consumption which has no material basis except from meeting artificially constructed needs, or desires. As argued before, production consumption and reproduction activities are tightly linked to each other not only because of their shared significance for the continuation of the capitalist accumulation process but also because of capitalistic social relations tightly binding them.

For the sake of clarity the author would like to first focus on the consumption activity and then move to the reproduction. In Grundrisse, Marx (1973[1857]:61) separates consumption activity into two part. He differentiates individual consumption from collective consumption regarding the nature of each consumption pattern. When it is referred to as the collective means of consumption it encompasses the totality of material supports of the activities performed for the extended reproduction of social labour power. On the side of individual means of consumption, consumption practices are linked with the physiological reproduction or with the consumption-destruction of a material object by an individual. In the dialectical thinking individual and collective means of consumption cannot be separated as they are thought to exist in unity as reproduction of labour power can only be realised through the dialectical functioning of these two sorts of reproduction mechanisms which lead to the individual and collective reproduction of labour power.

From another point of view, Preteceille and Terrail (1977:128) separate consumption activity into two as individual consumption and productive consumption. In individual consumption, labour obtains wages in return to his labour and buys means of subsistence for his individual or familial survival. For the latter case, during productive consumption labour becomes subject to the consumption activity. Labour power is consumed for the transformation of means of production in to products with higher values (ibid: 102). In this dual process of consumption workers at one side consumes their labour to create products and on the other side (re)produce their labour through consuming commodities. Preteceille and Terrail (1977) point out another consumption pattern which is neither productive nor reproductive. This pattern lead dominant classes to spend some part of the surplus value they obtained on luxury goods, started to be observed among working classes as well so as to drain wages quickly and greater amounts.

On the side of reproduction, it encompasses social and individual consumption activities that enable workers to reproduce themselves for the continuation of their life and of the production processes. Despite this mutual dependency, capitalist system does not and cannot respond to the requirements of the reproduction of labour force. Because, the principal contradiction of the capitalist mode of production -the contradiction between the development of the productive forces and the relations of production- makes itself felt in the sphere of reproduction. Capitalist production only produces that which leads to profit, to an adequate profit. The law governing the movement of capital is accumulation, not response to social needs. And several elements necessary to the reproduction of labour (the labour force) such as housing, health services, education, and so on, are not produced if their production does not lead to a profit or to a sufficient profit; to be more precise, they are not produced except within strict limits of profitability, in profit making forms which are inevitably market forms (ibid: 123).

For the establishment of basic reproduction pattern some of the gains are obtained as a result of the on-going struggle between capital and labour. This struggle constitutes another aspect of state's involvement in the production and consumption mechanisms. Primarily, the state enables the necessary social and political infrastructure for the exploitation of labour power within the production process. This is necessary for the continuation and development of any system of production under capitalism. As will be seen later, this trend became highly visible through the implementation of neoliberal policies. Secondarily, the state facilitates the consumption process to foster economic growth both through consumption and production. As it does not take into account meeting the needs the extend to the state intervention to consumption most of the time leads to the activities of over consumption which further contribute to the exploitation of labourers through the utilisation of credit money and financial debts. Thirdly, facing the ever increasing unjust situation resulted from the widening of social and economic gaps between capitalist and labour classes, the state -as the guarantor of the capitalist system- develops some policies. Through these policies the state intervenes into this divergence between classes before the crisis happens. Then comes the collective provision of certain services for the (re) production of labourers[30]. As Castells points out (discussed in detail later), in contemporary conditions, the state tends to either terminate or privatise certain collective consumption activities or keep providing them at some social

[30] Limitations on the working hours and number of days, health legislation and related benefits, establishment of the compulsory education system are some of the other issues related to reproduction of labourers whose level of implementation is also determined by how the class struggle between workers and capitalists is resolved at the state level.

costs. By realising the basis for the reproduction, the state guarantees the continuation of the market system, or at least avoids the formation of crisis on the labour side. But, as Preteceille and Terrail (1977:3-4) argue, there can also be some cases in which excessive consumption patterns started to be normalised through state machinery as being part of collective consumption activity and as a result collective consumption receives negative connotation within Marxist framework.

5.1.2.1. Social Production of Needs

Within the discussion of needs there exist two sorts of arguments. One camp is dominated by the theory of need which considers needs to be universal and objective, invariable between time and space; so constant through all human cultures across historical time periods (Maslow, 1943; Kotler, 1984; Max Neef et al., 1991). In the other camp, there is the assumption that needs are differential or relative with regard to changing social, economic and historical conditions (McCracken, 1986; Geertz, 1983). At this point without entering into detail and putting a concluding remark on whether needs are socially constructed or not, the discussion is now switched to the attempts on the determination of needs and brings Marx at the centre.

Maslow (1943), who was among the first modern scientists working on the theory of needs in industrial times identifies a hierarchical set of needs that begins with physiological needs and continues with safety, love/belonging, esteem and self-actualisation. For Maslow these five groups are innate and universal. He argues that any human being needs to meet physiological needs in order to meet the basic requirement for survival. For the other four steps of needs (deficiency needs or d-needs) one has to meet them step by step if one wants to live free from anxiety and tension. Doyal and Gough (1991) evaluating needs within the societal context, argue that through the creation and expansion of needs, humans are paying the costs of living in a society. Regarding the possibility of leaps within Maslow's hierarchy and with their focus on everyday life, they construct a list of needs rather than a pyramid. While they consider similar elements to Maslow's hierarchy; like adequate nutritional food, water and clothing, safe environment for working and living, physical security, and primary relationships with others; they also include more societal issues like need for adequate health care, security in childhood, safe birth control and child-bearing, and economic security. Doyal and Gough (ibid.) define a person "needy" when needs are unmet and authors underline the possibility of needy persons to function poorly in the society. Similar to Maslow, Max Neef et al. (1991) argue that human needs are constant and universal but wants are changing through time and space. But, different from Maslow, Max-Neef rejects

the construction of a hierarch for needs. He argues that there exists simultaneity, complementarity and trade-offs between the satisfaction of needs. He then suggests a 36 cell Matrix indicating both needs and ways to satisfy them.

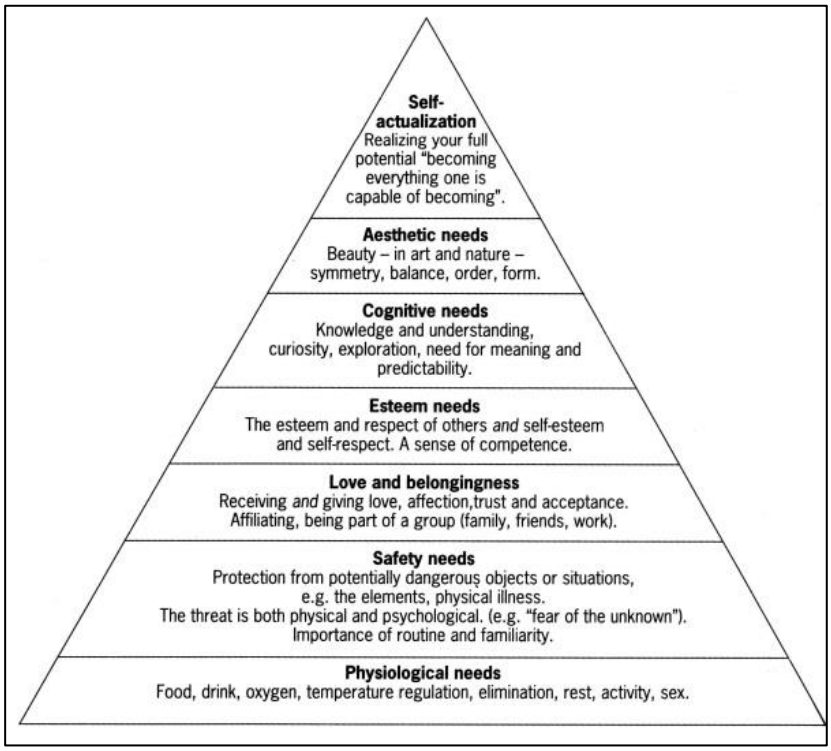

Figure 25: Maslow's hierarchy of needs
(adapted from Maslow, 1943)

Need	Being (qualities)	Having (things)	Doing (actions)	Interacting (settings)
subsistence	physical and mental health	food, shelter, work	feed, clothe, rest, work	living environment, social setting
protection	care, adaptability, autonomy	social security, health systems, work	co-operate, plan, take care of, help	social environment, dwelling
affection	respect, sense of humour, generosity, sensuality	friendships, family, relationships with nature	share, take care of, make love, express emotions	privacy, intimate spaces of togetherness
understanding	critical capacity, curiosity, intuition	literature, teachers, policies, educational	analyse, study, meditate, investigate,	schools, families, universities, communities,
participation	receptiveness, dedication, sense of humour	responsibilities, duties, work, rights	cooperate, dissent, express opinions	associations, parties, churches, neighbourhoods
leisure	imagination, tranquility, spontaneity	games, parties, peace of mind	day-dream, remember, relax, have fun	landscapes, intimate spaces, places to be alone
creation	imagination, boldness, inventiveness, curiosity	abilities, skills, work, techniques	invent, build, design, work, compose, interpret	spaces for expression, workshops, audiences
identity	sense of belonging, self-esteem, consistency	language, religions, work, customs, values, norms	get to know oneself, grow, commit oneself	places one belongs to, everyday settings
freedom	autonomy, passion, self-esteem, open-mindedness	equal rights	dissent, choose, run risks, develop awareness	anywhere

Figure 26: Max Neef's 36 cell Matrix of needs and satisfiers
(adapted from Max Neef et al., 1991)

Compared to modern thinkers, the way Marx conceptualises needs stays superficial. But, the way Marx contextualise needs is still important for the development of present and future discussions. For Marx, the existence of the concept of need enables the formation of a comprehensive theory including both production and consumption. The movement from production to consumption is defined through the satisfaction of needs. Departing from this, Marx goes further by asserting that the satisfaction of a revolution is dependent on whether the revolution is based on 'passive elements' or 'material elements' which includes human needs, and a radical revolution can only be realised on the basis of radical needs (from Fraser, 2008[1998]:190).

Fraser (ibid.) investigating the concept of need in Marx and Hegel, refers to three kinds of need in Marx's writings: natural, necessary and luxury needs. Natural needs are those needs that humans are primarily dependent on such as food, clothing, fuel and housing. Necessary needs, as Fraser underlines, are needs that vary from society to society and change from country to country with reference to changes in the level of development of the mode of production. Fraser (ibid: 154), referring to Marx, comments that necessary consumption goes hand in hand with social and technological changes, and necessary needs diversify with the diversification of labour skills and available goods in the market. For Marx, this second of group of needs are considered as important as the first group of needs as he also recognised the social position of men in the society. Marx also notices that in the course of time some natural needs may disappear while some necessary needs become natural. Natural needs started to take different shapes in changing historical and social conditions. The third form of needs refers to luxury goods whose consumption does not affect the material existence of working populations at all and insignificantly affect the being of wealthier populations. Apart from psychological effects, the conspicuous luxury consumption only becomes beneficial for production through the direction of surplus values into the production processes of luxury products[31].

[31] When the discussion is brought to much deeper levels, to the levels of values, the consumption act of workers is seen as a process of seeking use value to be used for their reproduction. For Terrail and Preteceille (1977) another contradiction of capitalist system becomes visible during the creation of use values. The characteristics of use value are determined by the conditions of realisation of surplus value. However the link between use value and surplus value is a contradictory one. While the former reflects a social requirement under the name of needs, the later represents a capitalistic requirement regarding the production of goods, realisation of values and expansion of markets (ibid:158). The point that was raised considering the production process becomes much more apparent when goods are brought to the market. Retailers who are responsible for selling goods to final consumers have an indirect interest in use values of goods parallel with its effect on exchange values. In other words, retailers principally concerned with the exchange value of commodities but not with their use values. They principally contribute to the capital accumulation by converting commodities into money capital in the hands of an agent other than the industrial capitalist. (Ducatel and Blomley, 1990:214).

Under the light of values and before getting deep into social formation of needs, it can be interesting to discuss the possibility of determining a commodity's character (whether it is a need or want) through the proportion of use

For Marx, needs are socially constructed. Here, social refers to peoples' dialectical interaction with nature and with other people. Because the way humankind dominates nature changes in the course of time, this causes changes in peoples' needs regarding nature. As a shelter, people once needed a cave but now people need houses. Peoples' relationship with other people changes as well through time. This changing relationship, which can also be called social relations of production, on one hand covers worker-to-worker relationships, on the other refers to worker-to-capitalist relationships. With globalisation these relationships got much more diversified and complicated. In response to this trend a dual process started to shape the world economy. On one side the world market got integrated through new forms of imperialism (Harvey, 2003) while 'Mc Donaldisation' started to shape differentiated cultures and societies (Ritzer, 1998). Furthermore, this universalisation leads to the universalisation of needs as Fine (2002) argues. On the other side, faced with the economic crises of mass production producers discover new forms of production often called as post-fordist and by targeting niche markets, they started to exploit niche producers and niche consumers (Amin, 1994). The disintegration of the production, discovery of small markets and production of specific commodities for specific needs contributes to the development of specific needs as well. But in some form or another, needs always exist in capitalist societies in parallel existence with scarcities. Marx comments on this, indicates that;

> "Hunger is hunger. But the hunger which is satisfied with cooked meat and fork is another hunger than that which swallows raw meat with the aid of hands, nails and teeth. The mode of production produces, both objectively and subjectively, not only the object consumed but also the manner of consumption" (Schimidt, 1970:84 quoted in Harvey, 1973: 217)

The determination of needs, like their satisfaction, is only a moment in the same process of social production. Which means that the needs that satisfy the production are the needs of the production itself, and the demand for such needs are created on the basis of the reproduction of the production relations. From the perspective of historical materialism it is not possible to talk about any need that is required and produced independent of the material conditions of the production process (Fraser,2008[1998]:44). In sum, it is possible to argue that in capitalist societies, labourer cannot (re)produce himself for his benefit but only

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value and exchange value that a commodity has. If the use value of that commodity is higher than its exchange value, one can say it is a need. On the contrary, if the exchange value is higher than the commodity, then the desire for that commodity can be seen as want. But then we need to answer those questions like i)how we can determine value composition of commodities ii) how needs and wants guide the formation of values iii) how we can evaluate the formation of needs and want from different social and economic concepts considering the same product.

(re)produce himself for the interest of capital (ibid:53). In addition to this view Heller (1976:23) argues that the capitalist system reduces the needs of the labourers to the needs of capital and leads to their alienation from their needs while Preteceille and Terrail (1977) underlines that needs are constructed on the basis of historical and social conditions and are the products of capitalists' vision. From a more recent article and from the perspective of marketing, Buttle (1989) acknowledges that needs are socially constructed and differentiated through time and space. What is interesting for the present discussion is that he also defends that needs are constructed on the basis of "dominant forms of cultural discourse" which is represented with marketing and advertising in developed western societies.

To conclude this section the author would like focus on food products and discuss some basic issues about these products. Food, in its simple form has to be considered as a natural need which is indispensable for humans. Knowing that no one can survive without consuming necessary elements and energy it is clear that food is also a universal need. But when one starts to consider how diversified food products are and the way in which we are consuming food, one observes that food has already become a necessary or luxury need considering those populations living beyond the limits of food poverty. Partially as a result of increased productivity and diversified product ranges but fundamentally because of the marketing propaganda of the producers most people in the developed and developing countries forgot about just meeting their natural (or basic in Maslow's terms) needs. They not only eat but consume much more than what is necessary. In return, as presented in other sections of the thesis, food retailing companies became the world's most powerful firms while some people suffer from obesity and other problems related to bad nutritional diets and while some millions of others suffer from undernourishment present both in developing and developed countries[32].

5.1.2.2. Meeting Needs: Wages and Provision

> "It is establishing today the sole responsibility for the logic of exploitation lies with the crises of capitalism, and thus showing that the satisfaction of needs constitutes a necessary condition of its resolution, which is consequently and all the more emphatically possible, that the organisations of the class struggle – whether unions or political organisations – can, while setting higher objectives of struggle, help the

[32] Despite increases in productivity and diversification in product ranges, The United Nations Food and Agriculture Organization estimates that nearly 870 million people, or one in eight people in the world, were suffering from chronic undernourishment in 2010-2012. Almost all the hungry people, 852 million, live in developing countries, representing 15 per cent of the population of developing counties. There are 16 million people undernourished in developed countries (FAO 2012).

> workers resist the blackmail of big capital and wrench them out of resignation." (Fraser, 2008[1998]:63)
>
> "Wages are determined through the antagonistic struggle between capitalist and worker. Victory goes necessarily to the capitalist." (Marx: 1844)

In a capitalist system humans can meet their needs and desires through consumption and reproduce themselves. But commodities need to be provided to the humans and provisions can happen in two ways. In the first one, commodities or services having market values are provided by private agents (i.e. retailers) and offered to consumers. After the provision, consumers utilise their wages to buy and consume these products. The second case consists of provision of products and services which does not have significant market potential. Because of this deficiency these products and services are not provided by the actors of the market and state involvement becomes necessary for their provision. The discussion is further developed first through wages and then move to the collective provision of services and commodities through state.

The link between reproduction of labour and its needs underline the importance of wages. In accordance with the level of class struggle, the wage that workers obtain can be lower or higher than this socially necessary value. In capitalism (simplifying) the only way for humans to survive is selling their labour power as capital has control over all means of production and thus all sources of income. The value of the labour power is determined by the quantity of socially necessary labour which is needed for their reproduction and not for more. As illustrated previously the contradiction that appeared between extraction of values from labourers and wages they earn became visible during the consumption process when the freedom of spending becomes an illusory fact of capitalism. Within the process of the circulation of capital, if the labourer is not fully exploited, he receives some wage in return to his labour force. This becomes the income of the worker and most part of has to be utilised in the consumption process, either in the short run to meet immediate needs, or in the long run as saving to meet future needs (Fraser: 2008[1998]). As Marx points out, the wage is the instrumental side of the source of income and when the wage is spent on commodities its basis becomes apparent (referred in ibid: 212). For Marx, "the lowest and the only necessary wage rate is that providing for the subsistence of the worker for the duration of his work and as much more as is necessary for him to support a family and for the race of labourers not to die out. The ordinary wage, according to Smith, is the lowest compatible with common humanity (in chapter III of Wealth of Nations) that is, with cattle-like existence." (Marx: 1844)

Taking exploitation as a fact of capitalism, both Marx and Hegel considered industrialisation and increases in automation as a positive development for meeting the demands of humans which are constantly increasing. Although most of their thoughts were based on improving the consciousness of working populations and bringing them together against capitalism, they were also aware that with the mass production of commodities prices would decrease and people would have more economic potential to buy products they desire with their wages. For them this was an opportunity for workers to move beyond the level of subsistence. Those products once considered as luxurious first become more accessible and then become a necessity. But this was just a superficial change that veils the real motions of capitalism. As rightly pointed out by Fraser, (2008[1988]) the space of enslavement and captivity was always hidden within this new space of "freedom". Through the changing patterns of consumption, which is still valid today, the empowerment of working classes just took a different shape but continued as their wage stayed always below the general level of surplus creation. Despite decreases in prices workers are faced with the prices of commodities which are higher than their cost of production.

In reality, with the motivation of maximisation of profits, wages always stay below the levels of necessary consumption as workers are exploited more than (or just) what is necessary for their reproduction. Under this condition what Mandel argues, "the one freedom which cannot normally be taken away (from workers) is the freedom to spend their wages as they wish" (Mandel, 1981:32), becomes an illusionary fact of capitalism as what workers can purchase has already been determined through their wages. In other words "at that moment natural needs transform to concrete necessary needs which are determined in relation with wages or more general with the social relations of production" Fraser, (2008[1988]:162).

As discussed in previous sections, capitalist political economy considers human not as a being but as a worker. The political economic framework needs to meet the needs of workers for the continuation of production on two sides. Primarily, labourers have to meet their needs through consumption and reproduce to be active in production process and secondly, commodities have to be sold to meet needs so that new commodities can be produced. But, considering that all the means of production are under the control of capitalists labour cannot meet his needs and becomes dependent on the capitalist class (Fraser, 2008[1998]:149-50). At that point another contradiction of capitalism reveals as the hunger of capitalists for surplus value does not let them provide sufficient resources for the reproduction of labour even to meet their natural needs (as happened in early days of the industrialisation). Marx (1973[1857-61]:61) acknowledging the continuous development of the sphere of production and consumption notices that although there may exists a minimum tendency to meet the

natural needs of the workers, natural needs had already exceeded the needs for food and shelter.

Marxist literature dedicates much greater attention to the aspects of collective consumption as this consumption type affects peoples' life much broadly and much deeply than what is caused by deficiencies of the individual patterns of consumption. Furthermore Fraser argues that in contrast to individual means of consumption, collective means of consumption are not commodities in the strict sense of the word. Different from individual means of consumption the use value of collective means of consumption is not crystallised in an object which can be sold and bought. So, more than individual means of consumption, collective means of consumption cover services and subsidiary activities contributing to the reproduction of working life. For this purpose, instead of producers of commodities Marx refers to providers of services to those who are supplying this demand (teachers, doctors, etc.).

Considering the demand for collective consumption services, as mentioned before, there is a general belief that these services cannot meet the market requirements. It is argued that the demand for these services cannot meet the costs of production, maintenance, management and development and thus these services have to be provided by actors functioning outside market logic. Referring to the discussion with diversified consumption patterns according to classes and the question of wages, this argument can be challenged. Higher echelons of society have enough income to enable them to purchase such services as market commodities. These high prices they pay for the services is enough for most private providers to survive. But, considering the bids that could be afforded by ordinary workers, it only reflects some proportion of their already low wages and can never be enough to support the profitable provision of such services by market mechanism. As a result, while some sections of the society benefit from these services at higher standards, most needy parts of the population cannot benefit from them. Exploitation in the workplace, is accentuated in the consumption process with the act of collective consumption when based on market relations.

Considering the question of provision, Fraser (2008(1998):122) pays attention to the spatial dimension of service provision and concludes that the provision of collective services is inseparable from the material means which produce them. He adds that both these services and those benefiting from them are dependent on space, i.e. on factors like location and accessibility. Different from Frazer, the author would like to remind one of the main arguments of the thesis and underline that the accessibility issue lies at the centre of inequality problem. Considering the issue of consumption one should not separate accessibility to the individual and collective means of consumption, although the later has

greater social importance as emphasised by Marx and Fraser. Regarding both cases one needs to ask what money can buy if a consumer (wealthier or poor) has no means of accessibility.

Although the issues about wages and provisions are valid for the continuation of consumption and reproduction the question of accessibility plays a key role and the discussion needs to be developed in this way. On this vein, two Marxist thinkers, Lojkine (1976) and Castells (1977a), define the speciality of urban space as being the place of concentration of services of reproduction. For Lojkine, what does characterise the capitalist city is on the one hand the growing concentration of 'collective means of consumption' which gradually create a style of life, new social needs – hence the phrase 'urban civilisation'; and on the other hand the particular mode of concentration of the totality of means of reproduction (of capital and of labour power) which itself becomes an increasingly determinant factor in economic development. Collective means of consumption cover the overall material supports of the activities that is necessary for the reproduction of social labour power; excludes the necessities of physiological reproduction and consumption activity realised at the scale of individual (Lojkine, 1977:120-1). Parallel to this, Castells poses his "urban question" around the importance of collective reproduction of labour power as he describes the 'urban' as a producer of its social content (Feldman, 1978:138). Considering the location of the activities of collective consumption, Lojkine follows an approach based on ground rents (as the principal spatially-variable costs affecting the provision of services) while Castells develops his own approach based on economic, institutional and symbolic levels (underlining the importance of state).

Hegel argues that "humans are only free when they become able to meet their natural needs without intermediaries" (Quoted in Fraser (2008[1998]:162). But as previously mentioned intermediaries are inevitable in contemporary capitalist societies and take different shapes as wages, service and commodity providers or accessibility opportunities. Keeping Hegel's ideal in mind, one either has to work for the minimisation of these intermediaries or change the system completely for an intermediary-free world.

The author would like to concretise the discussion above again with the provision of food product. As the discussion about food deserts and disadvantaged consumers demonstrated, in advanced capitalist societies capital intensive, economically powerful and high-profit-dependent modern retailers not only economically weaken small scale, capital-weak and labour intensive retailers but also cause the collapse of the retail landscape which was homogeneously sustained by these small retailers. Furthermore, as a reflection of intensified

competition among retailers, the space is selectively parcelled and some spaces are left idle and became food. This process, socially, economically and spatially affected all sections of the society to some degree but without any doubt those having low wages, experiencing job insecurities, having physical disabilities, and/or carless people (as called disadvantaged consumers) affected much more than others. These people started to suffer from health problems related to mal-provision of food opportunities deserts (see the discussion about disadvantaged consumers and food deserts in Chapter 2).

In developing countries like Turkey (which will be discussed in detail later), where capitalist competition is not as intense as in advanced capitalist countries, similar trends in retail monopolisation can be observed both economically and spatially. But the continuing existence of traditional retailers in addition to street bazars and informal family support mechanisms the formation of food deserts is likely to be postponed to the future but the trend seems to produce disadvantaged consumers with respect to socio economic differentiations.

It was illustrated that injustices are visible in the production process through exploitation of workers, in the construction of needs through the domination of capitalist logic over creation of needs and in the consumption and reproduction process through wages and accessibility difficulties. The discussion will now be developed with the inclusion of Marxist urban perspective in which all the issues discussed from the beginning of this chapter got spatialised.

5.2. Inequalities and Capitalist Urbanisation Process

Although the Marxist critique of the capitalist system is based on the living conditions of the early industrialised towns Marxist thinkers, including Marx himself, purposefully decided to distance themselves from urban issues[33]. As Soja (2010:88) points out, most of the Marxists treat the economy almost as if it existed on the head of o pin. At a more detailed account on cities, Gordon (1984, mentioned in Gottdiener, 1984:65) argues that within Marxist framework, cities are reduced to an aspect of the technical division of labour or to a cyclical element within the broader concept of social division of labour. In the same vein, Katznelson (1992) argues that Marxism's neglect of cities is a result of Marxism's technical determinism on production which considers city as loci of production. For her;

[33] Marx, in his works dealt with the urban-rural dialectics whereas Engels based almost all his analysis on the basis of urban conditions negatively affecting living condition of workers.

> "Cities did not deserve their [Marxists] own independent treatment because they were regarded by Marx much as liberal economists considered them, as the most efficient, profit maximising means of organising capitalist production." (ibid: 31)

Moreover within Marxist tradition, attempts directing attention to spatial issues rather than the social and technical relations of production are accused of being bourgeois strategies diverting Marxism to a counter-revolutionary path. This can be the reason why most of the Marxist geographers are not considered serious believers in Marxism by economists and political scientists due to their spatial focus. But, as Katznelson (1992:vii) argues, the urbanisation process when analysed in depth, offers potential for the development and advancement of Marxist thought;

> "… some weaknesses in Marxism as social theory can be remedied by focusing it to engage seriously with urban-spatial concerns, particularly with regard to the relationship between structure and agency that is at the heart of all useful social theory." (ibid.)

Despite powerful opposition from orthodox Marxists, a number of Marxist researchers (geographers, sociologists and philosophers) performed significant works on the urbanisation process realised under capitalist rules. Here, approaches of the three prominent Marxist thinkers, Henri Lefebvre, Manuel Castells and David Harvey will be presented[34]. The presentation aims to discuss how urbanisation process is conceived from the Marxist point of view, which actors are participating to this process, and the implications of these conceptualisations on retail environments.

Rather than considering the works of Lefebvre, Castells and Harvey as different approaches dealing with the capitalist system, urbanisation process and their interrelation, one should consider them elements of a general framework (Marxist approach) complementing and contributing to each other. Throughout this chapter and following ones, the author benefits from these works to explains some theoretical and practical aspects, and tries to contribute to their development through the application of the retailing case.

[34] It is possible to multiply the list of Marxist researchers dealing with urbanisation process. Works of Friedrich Engels (on the negative effects of capitalist urbanisation), Jean Lojkine (on actors and the role of state within capitalism) and Edward Soja (1980) are as important as those researchers' work mentioned in this section. But for the sake of their inability to provide a comprehensive framework on the urbanisation process works of these researchers utilised secondarily to support other main arguments.

5.2.1. Initial Reactions: Marx and Engels

The author would like to begin to the presentation of mentioned authors with some basic assumptions of Marxist theory based originally of Marx, as this constitutes the basis of their arguments. Although Marx did not deal much about the urbanisation process and considers urbanisation as part of the production process, the comprehensiveness of the Marxist thought covers many aspects of the urbanisation process. As Anderson argues about Marxism "[he theory] enjoys a theoretical advantage [and one might add, a moral vulnerability] because of its possession of a comprehensive and articulated set of concepts and hypotheses about the principal lines of historical development as a whole" (Katznelson, 1992: 28). Katznelson pointing out the strength of Marxist approach as a method of social analysis claims that the approach provides a "systematic and coherent set of suggestions about the relationship of nature and society, and about which social processes count and how they should be studied (ibid:27).

As underlined previously, accumulation of capital and competition among actors are the key aspects of the Marxist theory. Money directed to the production process in the primary circuit of capital, switches to the second circuit in search for more profit and then to the third circuit to obtain bits of surplus value. These are the options available for the continuous circulation of capital. This unleashed search for more profit in which money brings more money, capital brings more capital, fuels competition which turns out to be an external coercive force disciplining all actors, capitalists and workers in uneven ways and varying fortunes (Merrifield, 2002:143).

This process produces a different kind of social life that Lukacs (1919-23) calls the 'commodity principle'. The process covers the diffusion of the capitalist reality conditioned by accumulation for accumulation sake, and competition and diffuses to all spheres of life. Consequently, the relationships between people transform to relationships between things; people lose their 'agency' and their autonomous consciousness to the mechanistic fragmentation of the zones of existence. It becomes the general 'structure' of the capitalist system that starts to condition the interactions among people and produce materiality of everyday life.

Actors' position and functioning within the capitalist system can be analysed with reference to the dialectical relationship between structure and agency. This connection between two concepts investigated in the Capital representing a working model of the relationships between the two. Katznelson (1992: 53) resumes Marx's approach of the 'structure' as the

organisational structure of the capitalist economy which creates rational individuals pursuing independent ends under structured conditions of choice. According to this, individual capitalists and workers, alone in combination, act within this tightly defined system. Whereas, agency appears within the limited framework of the economic system. People may act according to their will but cannot escape from the realities and conditions of the structure. This tightly defined system dependent mainly on structure leaves very little room for agency criticised by many Marxists. Gouldner (1980) claims that on the one hand, scientific Marxists who are more econometric in their analyses are also more likely to accept structure-agency separation and domination of structure over agency. On the other side, voluntary critical Marxists reject the base-superstructure metaphor in favour of less well defined totality. They tend to lessen the importance of economic factors while emphasising the part of political prescriptions.

Giddens (1976) arguing that the structure-agency dichotomy is profoundly misleading suggests a mutually constitutive understanding to structure and agency. According to his unitary approach social structure and agency cannot exist apart from each other. Social structures contain rules, concepts and norms that provide idioms of human action. So, social structures enable human action. Once human actions take place they started to affect structures and cause changes. In daily practices, Giddens argues that “because people have at least working knowledge of structures through their experience with institutions of day to day life, their very action shapes and composes the social structure at the same moment that the actions of people in their routine conduct reproduce those structures (ibid.).

This moves us to the social institutions, (re)producing and transmitting the rules of capitalist laws of motion. According to Katznelson (1992) the way how Marx defines capitalist system has much to do with the social institutions rather than quantitative economic conclusions. The author would like to talk about the functioning of specific institutions when the Turkish case is considered. The discussion begins with the role of the state at the theoretical level and later case specific conditions are included to the discussion.

The role of the state occupies a particular importance in the discussions as it is conceptualised as a rather concrete and important institution that is capable to define other institutions’ role and capacities. In the coming paragraphs, the author would like to refer to the works of Lefebvre, Castells and Harvey and intends to frame the discussion within their Marxist point of view of the state.

In structuralist Marxist accounts, the state serves to the interests of capitalist classes for not only its existence depends on the accumulation of capital but also it is consisting of either capitalists or representatives of the capitalist classes. According to this view, the state first aims the free functioning of the market system and realisation of smooth capital accumulation. To this end the state may intervene to the system i) as an arbiter when interests of the competing capitalists clashes (i.e. laws and regulations) ii) as a direct intervener to regulate and facilitate accumulation of capital, goods and persons (i.e. investments in the built environment). The state also utilises its power over labour classes to supress their reactions through laws and enforcements; and to stabilise the false consciousness (as described by Lukacs, 1971) with the education system. It also enables the delivery of the means of collective consumption, a step favouring for labour classes for their reproduction, which in fact taken for the smooth circulation of capital.

The idea that considers state and the economy as one and as the state does not have any political space of its own and no relative autonomy is highly criticised by some other Marxist thinkers. Against this structuralist point of view, Poulantzas (1969) suggests a more elastic state structure indicating a certain “relative autonomy” from economic relations. This different conceptualisation of state suggests a much more independent state structure which is not always ”instrumental” for dominant class interests but which is more internally variegated , heterogeneous, contradictory and complex. (Merrifield, 2002: 125). As Althusser (1992:55-6) argues that within the state “organic relationship between intellectual labour and political domination, knowledge and power, is realised in the most consummate manner”. The state becomes “a relationship of forces, or more precisely the material condensation of such a relationship among classes and fractions (ibid:128-9). All these arguments are further backed by Poulantzas (1969) warns Marxists for underestimating the power of the struggles both between and within class structures. For him, the modern state is not an ivory tower and popular struggles constantly affect it, somehow give shape to it.

This later point of view based on the rigidity of the structuralist approach to state structure is partially right when state activities are considered for shorter periods of time. During these times state tends to listen the voices of labour classes and those occupying socially and economically weak positions. Within this time periods, it is possible to observe state functioning in favour of labour classes, develop completely neutral policies for the benefit of the majority of the populations and; even from time to time state develops and implements policies supporting the most disadvantaged sections of the populations. But if one expands the time horizon under investigation it becomes possible to grasp the real picture of the state. The history of capitalist development is full of examples illustrating how states at different

times and geographical contexts took back more than they give to labourers, how small reforms are utilised to suppress the potentials for structural changes. Furthermore, day by day it is becoming much more difficult to really understand the real intention behind positive state interventions as they are either happening to calm down popular unrests, or to find ways out of crisis. The Great Depression of 1930's was followed by slow economic recovery which enabled people to rest between two world wars. Unavoidable crisis of capitalism showed its face with the difficulty to access raw materials and transportation networks and prepared the ground for the Second World War. The war's destruction was followed by economic prosperity and over production of materials, inherited from the war industry, was aimed to be melt by artificial consumer demand which was resulted with the welfare era[35]. The good days lasted until mid-1970's and stopped with the energy crises. Capitalist classes took back the stage with neoliberal policies, often be called as the "revenge of the capitalist classes", whose effects are still felt in contemporary cities at varying degrees[36].

5.2.2. Capitalist Urbanisation in the Modern Era: Lefebvre

The analysis starts with Lefebvre as he is the first Marxist thinker to put the post-industrial city under the investigation of Marxist analysis. His historical materialist approach enables him to follow the traces of urbanisation from the early stages of humanity. According to Merrifield (2002:116) Lefebvre defines the dialectical sequence of social history within three epochs: agrarian, industrial and urban. While Marx and Engels were more focused on the second stage, Lefebvre pushes forward the discussion to the post-industrial era characterised by urbanisation. Lefebvre identified the period as a new post-industrial urban stage in human history. As each epoch produces its own space, from 1960 onwards, a new kind of space (built environment, force of production and object of consumption) joined to a new kind of urbanism, a new way of life (Katznelson, 1992: 96). Resultantly, he believes that the urbanisation created the industrialisation but not the reverse. In other words, Lefebvre considers industrialisation subordinate to urbanisation and the mode of production to urban society. Thus, he faced with the critics of Marxists arguing Lefebvre for no more belonging to Marxist camp.

[35] Although it was a welfare era fort the developed western countries, this was a period when international exploitation increased the most after colonialisation movements (Harvey, 2003). This is another illustration of uneven geographical development but at a different scale.

[36] Same story with a different narrative. The case of Turkey follows the same path with temporary gains of labour classes and stable benefit of capitalists (see Boratav, 2009[2001]). The case will be discussed in detail in the case study section.

The materialism of Lefebvre shows itself in his investigations on everyday life. According to Lefebvre the idea of commodity-dominated everyday life and the material conditions raised out of daily routines is covered by all kinds of mystification, fetishism and alienation. Lefebvre (1991[1974]) believes that “the most extraordinary things are also the most every day”. By saying this he not only points out those negative things that led to the commodification of everyday life but also its potential to change these negative aspects. According to Lefebvre, radical politics must begin and end in everyday life and by changing the everyday life one can change the world.

In the same vein with his investigation on everyday life, Lefebvre focuses on urbanism. For him industrial capitalism separated society and its needs from space. Against contemporary city, he favours and misses the old city where everyday life was lived with purity (lived space) but also acknowledge that there is no way to turn back. He starts defining what has to be done in post-industrial cities, through the critique of conventional approaches both understanding and shaping the cities. The Cartesian approach (including modern town planning approach) compartmentalising different spheres of human activity, zoning and separating activities, creating functional spaces but demolishing everyday life (construction of the representational space). These actions not only affected spatial structures but also caused social changes. Outward people became inward and got away from each other more and more. People are enveloped in mystification and fetishism, surrounded by economic forces suppressing passion and creating artificial passions.

As a result of these changes, modern towns became ordered, enclosed and finished worlds, robbed of meaning without a trace of adventure, romance. As Merrifield claims, everything is dictated by predictable mathematical exactitude, regular ground plans (Merrifield: 81). For Lefebvre (1968, 1972, 1991[1974]) the city is the seat or stage of the economy and its monstrous power, and all these (re)arrangements and (re)conceptualisations are realised in accordance with the dictates of economic rationality. Against this logic, Lefebvre suggests spontaneity and festivals. He believes that such experiences can be utilised for the reclamation of urban daily life and its lived space, and it is through such experiences that people can be freed from economic impositions. In this vein, urban movements constitute an opportunity to achieve a new phase in human history by the (re)appropriation of the ‘right’ to use space to serve human purposes and to re-assert the meaning and dignity of everyday life far more in harmony with nature than industrial capitalism could permit (Katznelson: 98). In ‘Le Droit à la Ville’ Lefebvre says;

> " the urban is perhaps a form, that of the encounters and gathering of all the elements of the social life, from the fruits of the earth…to the symbols and so called cultural works … there is no urban reality without a centre; commercial, symbolic, of information, of decision, etc. In this form the urban has a name: it is simultaneity." (Lefebvre, 1968: 206)

For Lefebvre production of space is central to the continuation of capitalist system. In this respect different classes in the capitalist system decide on how the space is to be produced. The capital/labour contradiction becomes now foremost a contradiction of urban society, but not of industrial society any more. As Merrifield suggests, "the battle for and over urban space became stage and stake in the modern class struggle; revolt necessarily began on an urban horizon" (Merrifield, 2002: 88). Among these different classes Lefebvre emphasises the domination of capitalist power over most of the areas of social and economic life. Through this domination a new political structure develops and 'representational space' of the urban inhabitants is replaced by the 'representations of space'. This space of scientists, planners, engineers reflecting and shaped in accordance with capitalistic needs pushes away the urbanites from the real urban daily life, as mentioned previously.

He claims that the city is the stage of political power which guarantees the economic force of capital, protecting the private "property" status of the means of production (Lefebvre, 1972:103). He further adds that throughout the process of urbanisation, although urban dwellers lost the battle for the reclamation of urban life, different sections of the society obtained gains. These gains either in the form of direct profits (commercial capitalists), or in the form of increased ground rents (landlords), or fictitious surplus capital, or speculative money (financial capitalists) motivate different classes to maintain the circulation of capital through urbanisation. These classes unavoidably have conflicts in-between but their mutual benefit can never let them exaggerate conflicts to such a degree that interrupt the process.

For Lefebvre urban environment, as an active arena for political struggle, challenges the capitalist's and labourer's conceptualisation of urban space. Differential logic between these two different sort of conceptualisations, as pointed out by Lefebvre (1991[1974]), produces two different spatial configurations, one prioritising the efficiency and profitability (conceived space), another emphasising the social and physical reproduction of society (lived space). For Lefebvre the source of inequality lies at the fact that ordinary inhabitant, although directly contributing to the production processes through his labour, cannot always obtain the chance to access basic urban functions and very rarely find the possibility to intervene into the production of these functions. This problematique that Lefebvre formulated as "Right to the

City” lies on the basis of his ideas. The discussion of Lefebvre is criticised for staying at the philosophical level as he is unable to concretise the struggle over and for the urban space and put the discussion beyond theoretical borders.

The state is thought to occupy a different position within these classes. In Lefebvre conceptualisation, the state, at varying levels, facilitate and coordinate the capital accumulation process. As a result of this the whole urbanisation process, with all social and physical connotations, became exploitable and profitable (Merrifield, 2002:89). Within this process, Lefebvre considers urban planners as key players legitimising the special needs of the capitalist class through their technical expertise. But Lefebvre also recognises that there is not a way back to good old days. To this end planners, if freed from capitalistic impositions, can contribute to the creation of a “new urbanism”, “a new praxis” which not only transforms the physical landscape but also changes societal conditions (ibid: 148). Within a system prioritising exchange values, the life cannot be lived or experienced. The need for a liveable city is not just a “cry and demand” for Lefebvre. It is also a right, a right to a renewed urban life and a new urban experience. And, planners can be agents of such a change.

When Lefebvre started his analysis of urbanism he utilised Marxist framework to explain certain conditions like unbalanced class relationships, and shaping of urban space through the interests of capital. Later, his investigations moved him away from Marxist thought. As Merrifield (ibid.) suggests Lefebvre discovers that the conditions of urban life may carry more meaning than the imperatives of capitalism. Lefebvre criticised the dependency on the economic base and on the superstructure by asking:

> "Can the realities of urbanism be defined as something superstructural, on the surface of the economic basis, whether capitalist or socialist? No. The reality of urbanism modifies the relations of production without being sufficient to transform them. Urbanism becomes a force in production, rather like science. Space and the political organisation of space express social relationships but also react back upon them." (referred in Harvey (1973), Lefebvre, 1972:25).

For him capitalist circuits fade away in the course of time and urban spatial relations take their place in shaping the totality of the society. In other words, in Lefebvre’s schematic history of the city, Marxism can take us up to the urban moment, but not into it (Katznelson, 1992: 102). Last but not least, it is possible to claim that Lefebvre departed from Marxist thought and moved beyond it. He discovered, maybe with the help of a Marxist basis, new dimensions of urban daily life that Marxism cannot reach.

5.2.3. Urbanisation for Collective Consumption: Castells

Castells criticises Lefebvre for not being able to bring the philosophical discussion at concrete grounds. Instead of Lefebvre's metaphysical constructions Castells suggests applied Marxist research on urban phenomena that is not only measurable but also positivistic and formal (Merrifield, 2002: 114). Castells claims that Lefebvre moves away from classical Marxism and approaches to a kind of urban fetishism which is close to what Chicago School sociologists or Louis Wirth tried to define. Against the creation of an "urban ideology" Castells tries to develop a scientific Marxist Analysis to understand urban questions. In this view, the city is taken as dependent on and not independent of the forms and rhythms of class relations (ibid: 117).

Castells starts his urban analysis by using the tools of the Marxist political economy. He begins his analysis by criticising conventional spatial approaches (like Chicago School) for prioritising space and producing an ideology out of this prioritisation. He believes that threating urban developments with priority obscures the dependent relationship between urbanisation process, urban elements and capitalism as the mode of production. After this departure point he points out that the urban case within Marxism is playing a determinant role unless it is not detached from broader political economic conditions. Within these conditions, the scale of production relations is thought to be the regional scale whereas the urban scale is characterised by the relations of reproduction. In Marxist dialectics, each moment of the capitalist mode of production necessitates reciprocal organisation of urban space in order to facilitate the production and consumption processes appropriate to a given level of production. As Lefebvre underlines the importance of urban condition within this process, Castells points out that over time, consumption becomes the fulcrum of capitalism.
This focus is not new to Marxist thought, as Merrifield (ibid: 119) quotes from Capital, the continuous circulation of capital

> "necessitated on the one hand the reproduction of the productive forces, of the means of production and raw material, of the labour process itself (Department 1); on the other hand it required the reproduction of existing relations of production too of class relations between capital and labour, of the reproduction of the means of consumption of both owners and workers (department2)."

Castells approaches to the "urban question" from the perspective of the evolution, socialisation and provision of consumption activities. More than the activity of private

consumption, Castells concentrates on the collective consumption activity that he considers vital for the reproduction of labourers and thus for the continuation of the capitalist system. Based on this idea, Castells positions the differential conditions of accessibility to the services of collective consumption on the basis of urban inequalities. As a result of this focus, Castells focuses on the effects of the social relations of production and develops Lefebvre's problematique "Right to the City" from a different perspective by questioning the urban as a centrality for labour reproduction. In sum Castells (1977:15) defines the process of urbanisation through the evolution of basic urban services that are subject to collective consumption.

The production of the urban space for the realisation of collective consumption makes the city as the primary unit of the reproduction process. As Merrifield (2002: 119) suggests "The urban realm now has to be understood as a facilitator of the reproduction of labour power and hence a facilitator in reproducing class relations" (ibid.); and the city has become the special specificity of the process of reproduction of labour power and of the process of reproduction of the means of production (1977a: 443).

Similar to Lefebvre, Castells underlines the importance of urban use values in the collective (re)production of labour classes. The prioritisation of exchange values of urban elements not only prevents urban dwellers from experiencing urban life in a metaphysical and spiritual level (as Lefebvre depicted) but causes material deficiencies in the continuation of daily life. Based on this argument Castells asserts that deficiencies in the provision of basic urban services contributing to the continuation of urban daily life will inevitably initiate reactions. Those reactions called 'urban social movements' address primarily the right to access to the means of collective consumption. Castells differs from other Marxist thinkers by claiming that urban struggles do not need to be directly linked to working class unions and parties. He underlines possibilities of cross class alliances and diverse social divisions on the basis of a demand for the means of collective consumptions (Castells, 1983). Katznelson (1992) contributes to Castells by arguing that the collective consumption activities, although they pacify labour and act strategically in the interest of capital, politicise unpoliticised aspects of social life and may lead to the creation of coalitions that are inconceivable within a narrow Marxist framework.

Collective consumption comprises collective commodities or services having little or no market price but vital for the working class to reproduce itself. Thus consumption of such commodities or services is also necessary for production. Elements of collective consumption do not directly produce surplus values. Furthermore, due to their little market

value, they drain surplus value as they are not directly contributing to the production process. For this reason the private sector stay distant from taking responsibility of provision of such goods and services. In 'The Urban Question' Castells (1977a) admits that "the state increasingly regulates the urban system according to the logic of the dominant class, paving the way for the development of the practice and ideology of urban planning". But with his emphasis on collective consumption the role of state obtains a new element. The societal dependency (both of capitalist and labour classes) on the means of collective consumption brings important responsibility to the state. The capitalist state, aiming the continuation of the circulation of capital, becomes the chief provider of collective consumption. In Monopolville (1974), Castells defines the role of the state as the main actor providing goods and services to ensure that capitalism has the level and character of urban space and consumption that it requires. These services include housing, transportation, education and social services.

As did Lefebvre, Castells considers urban planning as a dependent institution of state apparatus. The aim of spatial practices and development of a planning ideology therefore concentrates on the provision of basic urban services for the reproduction of labourers. In this view, the configuration of urban setting for the direct accumulation functions stays secondary as this configuration is thought to be realised automatically. But (re)configuration of urban services needs further intervention even sometimes contradicting to the direct capitalist interests. Despite these small shifts away from direct capitalist interests the general trajectory stays within the limits of the capitalism. Monopoly capital produces monopoly government, and monopoly government provides necessities for the creation of the monopoly city, or Monopolville as entitled by Castells.

Castells changes his areas of investigation on urbanisation process in the course of time. His more structural approach focusing on actors of the urbanisation process shifted to urban social movements. As Merrifield suggests (2002: 123) this shift coincides with the beginning of the oil crises in mid-1970's when the city, as the primary area of social reproduction, can no longer afford the costs. Public sector breakdown and crises of state intervention led to the decline in the provision of services of collective consumption and pushes people to reach against this, in the form of a "democratic road to socialism". Castells criticising Marx (and also Lefebvre) for being too mechanistic in his interpretations, argues that the current historical context necessitates identification of new approaches to urban phenomena with new concepts and new interpretations. At this moment, Merrifield points out that Castells starts to "favour agency over structure, subjectivism over objectivism, 'Weberism' over 'Marxism' ", by emphasising that "it is the actors, apparently, who script the play, and not the play that scripts the actors" (ibid: 129). Later, impressed by the spread and utilisation of the

telecommunication technologies, Castells moves away from discussions of agency (as defined in Weberian or Marxist terms) and focuses more on the new social networks, utilisation of technology for their establishment and went further away from urban issues.

In this final part about Castells, the author would like to highlight about differences of Castells' thought with compared to other Marxist thinkers. In contrast to a generalising attitude of structural Marxists Castells emphasises the specific character of each case. The capitalist political economy, although always aiming at the circulation of capital with profit maximisation, differentiates according to contexts and generates varying implications. This, in turn, results in differential social oppositions which are unique to each case. These struggles can sometimes be class based but most of the time rose from ethnic minorities, gender groups, suppressed cultural groups for the reclamation of democratic rights. Furthermore, against Lefebvre, Castells argues that such oppositions do not need to be urban based at all. With the development of information and telecommunication technologies, cities became no longer unique places of information, activity and concentration of people. Finally, combining these two points about case specificity and non-urban necessities, Castells argues that the dependency on structure disappears in the face of growing importance of agency. With recent developments people all over the world, can act and react against mainstream ideologies and can form their group oppositions for the repossession of their broader democratic rights which do not need to be coincide with urban rights (Katznelson, 1992: 139).

5.2.4. Urbanisation for Accumulation: Harvey

Harvey as a geographer starts his voyage by aiming to find a unifying framework for geography which is traditionally fragmented and divided into various (Merrifield, 2002: 134). In this search Harvey came up with Marxism binding together various disciplines ranging from economy to politics, from sociology to psychology, from literature to geography (with Explanation in Geography in 1969). In this search, Harvey found out another significant point in Marxism. In addition to the creation of connections among different disciplines Marxism aims to understand practical problems of the world and more importantly looks for solutions. While this inclination moves Marxism away from pure academics and limitations of the positivistic science, it pushes Harvey into the field of political philosophy in search of justice. Observed and affected by the problem of inequalities and injustices in different parts of the world, Harvey investigates the sources of this continuing and growing problem. Utilising first the tools of the liberal political economics (formation of rents, surplus value, competition, etc.), Harvey realised that he cannot reach to the source of the problem. When he applied

the Marxist framework in urban analysis he was able to find out an adequate framework explaining all interrelated parts. Harvey reaches the reality as Ollman describes it;

> "Reality as a totality of internally related parts, and his [Marx's] conception of these parts as expandable relations such that each one in its fullness can represent totality" (Ollman, 2002:124)

In contrast with Lefebvre and Castells who distanced themselves from Marxism in the course of time arguing that its definitions and concepts cannot provide necessary tools to explain contemporary societal conditions, Harvey develops his approaches within the Marxist framework and by utilising its tools. Against some counter arguments Harvey asks,

> "… does this mean we have to abandon Marx for some eclectic mix of theoretical perspectives? Not at all. If capitalism persists as dominant mode of production, then it is with the analysis of that mode of production that we have to start' (Harvey, 1985a: 263-4).

This, as Harvey (1973) suggests is not an exercise on "reading Capital" but reading the Capital itself. In explaining the urbanisation process Harvey utilises and insists on utilising the Marxist framework. He considers Marxism as the master theoretical analysis of modernity because of the privileged causal place of capitalism within modern world. In this view Harvey considers space not as an ontological category, but as a social dimension that both shapes and is shaped by human agency. In 'Social Justice and the City' he says "spatial forms are seen not as inanimate objects within which social process unfolds but as things which 'contain' social processes in the same manner that social processes are spatial (ibid:10-17). In combination with these as the time passes, Harvey's initial thoughts about the unjust nature of capitalism lead him to discover the basics of the capitalist system and the usage of space (more specifically of urban lands) for the continuation of the capitalist accumulation processes (2006[1982]).

According to Harvey two conditions contributed to the formation of cities: the concentration of social surplus product and scarcities. On one side, cities integrating means of production and social relations at greater scales (at a scale much larger than a factory, or as a huge factory) must be capable of producing surplus product to sustain and develop their productive base and its social components. On the other side, the maintenance of social and material relations of production depends upon the market mechanism which functions on the basis of scarcity. Referring to Harvey, Merrifield indicates;

> "if scarcity goes, the market economy, the source of productive wealth under capitalism, will presumably go as well. There would be no competitive bidding, no dog-eat-dog land and housing market, no incentive or mechanism to prey off or "naturally" segregate the poor" (Merrifield, 2002: 140).

As a result of these needs, institutions specific to the cities start to develop. Financial institutions and property capital actively create scarcities. Their "normal" daily functioning, their "normal" desire to maximise profits actively structure urban land use and residential patterns. Although this singular aim, maximising the profits sometimes produces unethical results within market system based on scarcity and competition what usually the unethical is really ethical unless it makes sound business sense.

As mentioned previously the circulation of capital stays at the centre of capitalist motivations. Harvey utilises this to explain the development and transformation of urban land-use patterns. For him circulation of capital through the use of land performs an important coordinating function for capitalism and contributes to the production of historical geography of capitalist cities. Factories and fields, schools, churches, shopping centres and parks, roads and railways are the elements of capitalist urban landscape "indelibly and irreversibly carved out according to the dictates of capitalism" (Harvey, 2006[1982]: 373-4). And the formation of rents, their acquisition and distribution among different classes illustrate this phenomenon in concrete terms. In sum, production of built environments and spatial configurations not only necessary for the circulation of capital but also gave pace to it. Furthermore, at the moments of decreasing rates of profit within the primary circuit, as will be discussed later in detail, investments directed on the built environments provide desirable returns for capitalists and therefore enhance circulation of capital.

There is no doubt that such a system based on intense profit maximisation, competition and unjust distribution of resources need to be coordinated by some institutions. Harvey acknowledges what Lefebvre put forward before him. The city created a new and different kind of consciousness, an urban consciousness, that was unanticipated by Marx. As Katznelson (1992: 122) explains briefly; capitalism created the city and the city created a consciousness that reflects its varied reality. Yet, for her, this consciousness affecting most of urban inhabitants deflect attention away from the primal forces of capitalist mode of production that constitute the basis for the production and functioning of cities. This "false consciousness" reshapes class struggle and move it into fetishistic dimensions so that urbanites forget about their exploitation and injustices that come after. On the side of Harvey,

who focuses on the spatial aspect of this consciousness formation, argues that the consciousness is produced as a result of the complexity of diverse urban actors, their positions in space and as a reflection of spatially defined relations with political authorities.

In Consciousness and Urban Experience Harvey (1985b) argues that "the city is ruled by particular coalition of class forces, segmented into distinctive communities of social reproduction, and organised as a discontinuous but spatially contiguous labour market" (ibid: 250). Concentrating on the formation of crisis in capitalist political economy, he dedicates special emphasis to landlords, financial capitalists and state bodies in the production of urban environments. Landlords, through the established rights of private ownership, become the first persons deciding about the way of development of the land under their control. They can use their monopoly to (i.e. not leasing the land for development) affect land prices and thus formation of land use patters. Harvey indicates the built environment investments in the cases of decreasing profits and at these moments of crises financial capitalists play important roles. The crisis of primary circuit causes the scarcity of money and financial capitalist provide fictitious money for diverse investments, majorly directed to urban lands. But, the circulation of capital is to be free from disruption and regulation of the credit system is necessary. Neither landlords, nor money capitalists can provide this stability because of the dynamics of competition (Harvey, 2006[1982]: 281).

Scarcities and crisis prone nature of the capitalist system force producers, landlords and financial capitalists to form a particular class alliance and to form a state to coordinate the market system. As Harvey underlines, here, the state becomes an instrument for the functional reproduction of capital. It occupies all the necessary functions for the continuation of the circulation of capital. The state acts as stabiliser and crisis manager; ensures balanced growth and smooth process of accumulation; realises repression, cooperation and integration (1985a: 174-5). Kleniewski (1984) gives example from United States and points out that the urban renewal and most urban transportation policy of the early 1980's era has been initiated and planned by small groups of capitalists whose economic base was rooted in the CBD. Bankers, department store owners, utility executives and downtown real estate interests got together and backed by the federal state to realise their aims.

Harvey differs from Lefebvre in his approach to planning and modernism. He notes that the problem with modernism is not in direct relation with its planning principles. The problem is that modern planners and architects "are disciplined by market imperatives, by commodity and profit dictates" (Harvey,1969: 13). Whereas, what postmodernism offers is a more aesthetical emancipation rather than real social emancipation. The offer is a change of form

rather than a change of content. The postmodern movement goes together with the market rather than against it (ibid.). Contrary to Castells, believing in new opportunities of social emancipation, Harvey adds that this new case is the case of “business as usual”. Just, business this time has a new product line, with a faster turnover and has a new store manager (Merrifield, 2002). Harvey adds that the new condition cannot have the capacity or potential to initiate a societal change as “there are laws of process at work under capitalism capable of generating seemingly infinite range of outcomes out of the slightest version (Harvey, 2012).

Contrary to Lefebvre, Harvey asserts that the industrialisation is still going on and there exist no “real” urban consciousness that can replace the consciousness of the industrial era. He further argues that Lefebvre’s approach to space is fetishistic and contribute to this process of false consciousness. Space may have an impact on social and economic relations but one should not forget that it is shaped under capitalist imperatives and it is first shaped by social and economic forces forming the capitalist system. It is still the capitalist logic which dominates the production of not only built environments but social and economic relations. Thus urbanism cannot replace production, appropriation and circulation of surplus value (Katznelson, 1992: 99).

Katznelson criticises Harvey for not providing a definite framework about class and group formations within capitalist system and for limiting himself with the rigid framework of a closed Marxism.

5.3. Conclusions

The intention in this chapter is to identify the sources of injustices and contextualise the problem in different sections of the capitalist system. To this end, the problem of social justice is tried to be understood through the processes of production, consumption and reproduction. The way how injustices are contextualised in this research also necessitates the establishment of its relation with the concepts of need. The dialectical relationship between needs reveals that at one side, injustices or inequalities occur as a result of the social production of different accessibility patterns to needs. On the other side, trough similar social contexts needs are produced socially. The relationship between inequalities and needs, that can also be called accessibility, becomes also a social product, when wages and service provisions are taken into account.

The chapter five demonstrates that the framework of this research considers urbanisation process reflecting all social, economic and physical aspects of inequalities and differential accessibility patterns of populations. This approach, linking injustices to urbanisation and urbanisation to capitalist system have been frequently discussed through the works of Marxist thinkers since the beginning of industrialisation era when inequalities aggravated dramatically.

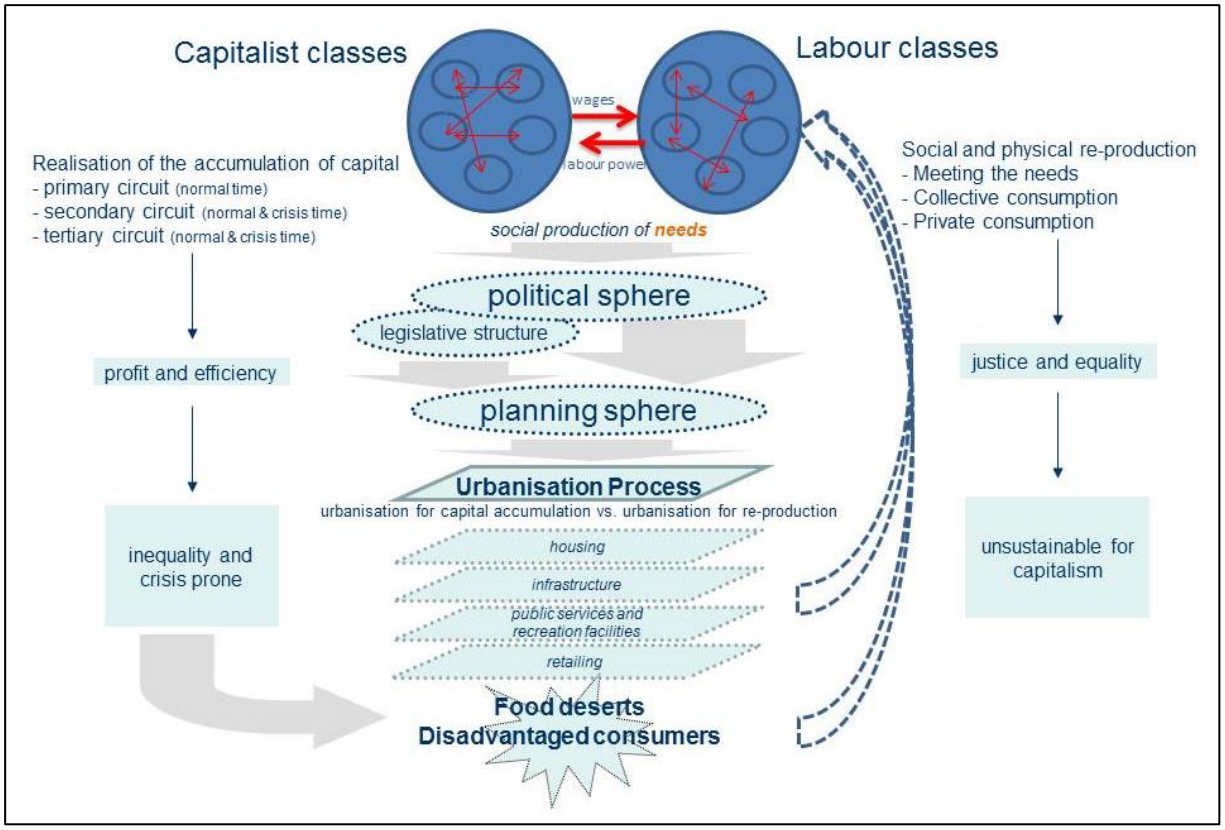


Figure 27: Schematic representation of the production of urban spaces from different class perspective and through different meanings
(Source: author's conceptualisation)

At this point of the research, with all theoretical tools at hand, the author wishes to summarise his assumptions about capitalist urbanisation process, its dynamics and its relation with needs and inequalities. The graphic above indicates how the production of urban space and retail environments is conceptualised with reference to the Marxist political economic framework.

Simplified groups called and separated as capitalist and labour classes. These groups illustrate the two major group of people (that inevitably cover other conflicting sub-groups in themselves) that consider space and urban environments in different ways.

On the one side, capitalist classes seek opportunities to realise the necessities imposed by the capitalist system. Among different investment opportunities capitalists consider urban space first as the ground to realise the circulation of commodities, labour and capital (primary circuit). Secondly space for capitalists is a as a profitable area of investment that can bring higher returns than some other types of investment (secondary circuit). The first view emphasises the importance of efficiency on space while the second view underlines the importance of profitability. Especially part of the second view but also related to the first one, for the capitalist class the exchange value of space is prioritised. From the first perspective's point of view spatial structures are and have to be ready to change and reformation. From the second perspective space needs to be seen as a commodity that can easily be sold and bought as other commodities. Despite this ideal systematisation, the system is always prone to crises that show itself either as in the pure economic form (housing credit crunches) or in directly spatial form (underdeveloped commercial zones, vacant housing constructions or food deserts).

Labour classes on the other side consider space as the surface occupying the potential to contribute to their social and physical reproduction. the availability of private and collective consumption services for these populations is important only from the point of view of their reproduction as they are not the owners of the consumption facilities and do cannot seek profit out of their presence. The idea(l)s of justice and equality are thought to be preliminary for the continuation of such a system based on everybody's equality and need. Within this logic where people only aim the utilisation of space for their needs, the space obtains no value other than its use value. Knowing that the world is governed under capitalist rules, such a system purely based on labourers needs cannot be accepted for the sustainability of the capitalist system when the motivation over profit maximisation is completely lost.

Within this framework, as mentioned by Lefebvre and Castells and acknowledged by Harvey and others, urbanisation process takes its shape through the internal and external interactions of two different class groups and their internal parts. Interactions are resolved and concluded at the political sphere which leads to the production of, on one hand, accurate political economic mechanisms; and on the other hand, relevant legislative frameworks to guarantee the continuation of consensus. When translated into the urbanisation process, this political-economic and legislative structure contributes to the production of different urban layers ranging from housing to infrastructure, from open spaces to retailing.

The problem lies at the unequal power relations among different social classes. As demonstrated in this chapter, inequalities created in the production are systematically

transmitted to decision making mechanism, to legislative frameworks, to the urbanisation process and to the production of different urban layers. Among different urban layers, inequalities express themselves through housing shortages, inefficient or unavailable of infrastructure services, lack of open spaces and poor accessibility to retail functions. When the problem of accessibility is projected on the relationship of consumers with food producers, inequalities appear in the form of disadvantaged consumers and food deserts.

At this point the author introduces the sphere of planning which mediates between two major streams of thought. Different from Lefebvre's thoughts which locates planning on the decision sphere of capitalist classes, based on the potentials defined by the legislative framework of Turkish case the author prefers to give a more independent and even a revolutionary position to the planning institution. Even though in practice the revolutionary potential of urban planners and scientists dealing with urban issues is not obvious, small but significant cases contribute to the fortification of existing but not fully exploited potential of an autonomous planning institution.

6. POLITICAL ECONOMY OF TURKEY: URBANISATION AND RETAIL CHANGE

This chapter aims to bring previously developed discussions about capitalism, urbanisation process and retailing into the concrete ground of Turkey. To this end, following the path of Marxist historical materialism, the chapter focuses first on the origins of the contemporary trends in Turkish political economy and urbanisation process. The investigation begins with the analysis of the final period of the Ottoman Empire and with Establishment of the Republic in 1923 which is considered as a major structural break point in country's political economic past and its urbanisation history. The very dynamic nature of the political economic history of Turkey obtains a different look at the beginning of 1980's, with the beginning of the neo-liberal era. The author argues that despite changes and modifications, it is still this neo-liberal framework that is giving shape to Turkish political economy, to urbanisation process and to retail development process to a great extent. After the determination of commonalities and peculiarities of Turkish neo-liberalism with compare to other practices, the discussion moves to the case of retailing in Turkey. Turkish retail sector is analysed through its transformation in the course of time and its supply and demand characteristics. The author wishes to benefit from the conclusion part to make the synthesis of all discussions within this sixth chapter.

6.1. Historical Look to the Political Economy of Turkey

A more detailed historical materialist analysis of the case of Turkey can be found in the works of Boratav (2009[2001]) who analysed the political economy of Turkey from the modernisation reforms of the Ottoman Empire in 1908; and of Şengül (2009) who analysed the urbanisation layers of Turkey starting from the last moments of the Ottoman Empire. Without entering into too much detail, both to provide a basis for the case of Turkey and to establish the link with the previous sections, this part of the section aims to demonstrate the relationship between political economic developments and urbanisation process in Turkey. With the help of the graphic below the author develops a deductive framework for the analysis of the mentioned relationship and argues that historically, political economic developments at the global level affect the national political economy which in return influences the urbanisation pattern in Turkey. And, it is through this relational framework that the analysis of the political economic context is conducted.

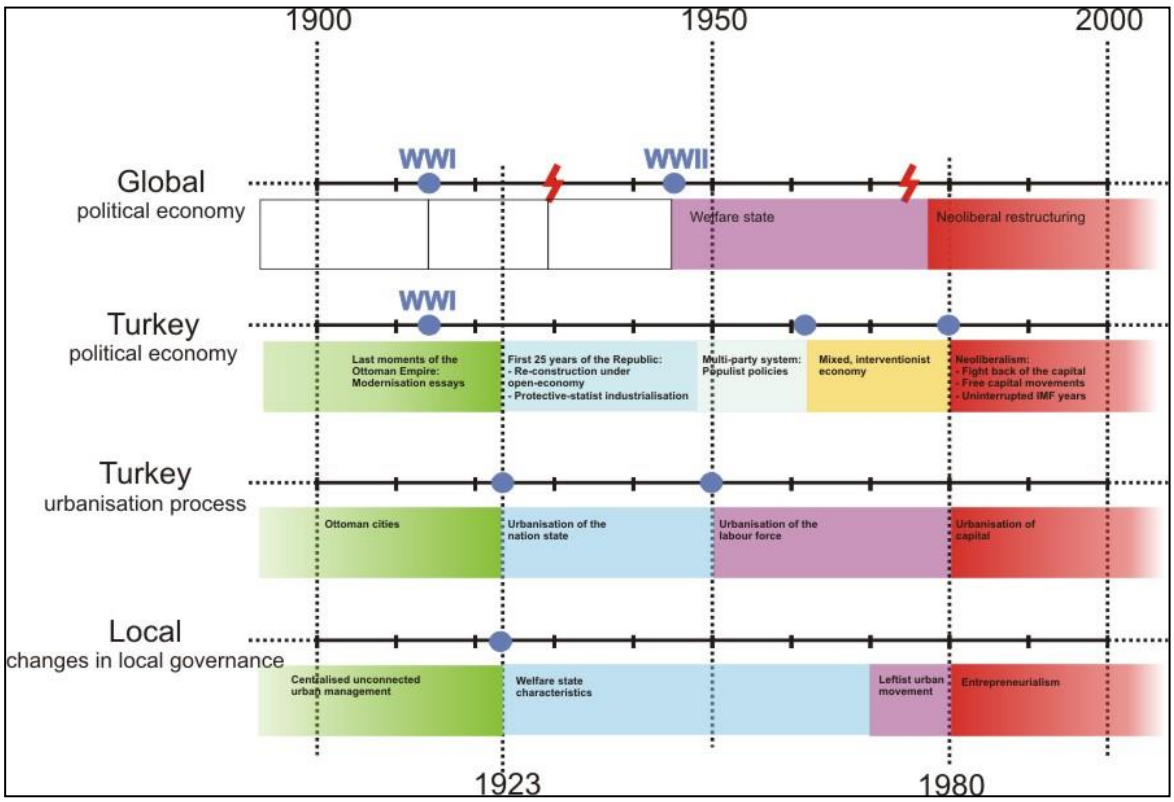


Figure 28: Changes in the political economic contexts at different levels
(Figure is produced by the author with reference to Şengül (2009), Boratav (2009[2001]), and Tekeli (2009[1998]))

6.1.1. Political Economy In The Last Moment of The Ottoman Empire (1900-1923)

Unfinished bourgeois democratic revolution or first steps towards national capitalism. Economy before WW1 was at the status of half colonial and this situation made it very dependent on external relations. International capital and powerful nations had institutionalised within the empire and secured the control, intervention and imposition mechanisms over domestic sources of wealth. Successive wars further weakened the economy. Ottoman bourgeoisie was powerful in trade but not in industry. Industry was majorly controlled by non-Muslim population. Local trade was dominated by small scale, vulnerable, capital-weak small and medium scale traders. National Economy School (Milli İktisat Okulu) defended the implication of economic policies which protect national industry. But established infrastructure networks were away from what is necessary for a new industrialisation movement. To illustrate the situation, Boratav (2009[2001]) gives the example of wheat production and its transportation in the final stages of Ottoman era. Bringing weed from inner lands of Anatolia to İstanbul was 75% more expensive than exporting it from New York. As a result İstanbul was fed by resources from Europe and United States. During the times of the World War I traders specialised on agricultural

products obtained the chance to get richer (ibid:29). Early industrialisation movements also created anti-labour and unionisation movements to back new industrialists. Many laws were enacted to flourish industry. Industry Encouragement Law was followed by increases in import tariffs (first to 15% and then to 30%) to encourage national production. Capitulations, which were the commercial and industrial privileges given to foreign countries were also abolished one sided during the war period.

According to Tekeli (2009[1998]), the 'modernisation project' of the early republican period is an urban development project and the success of this project is dependent on the realisation of the urbanisation process. Economic dimension of the early modernisation process includes the industrialisation and institutionalisation of the private property. As a result of new developments, within the ottoman social structure, for the first time private space and public space started to be separated and institutionalisation of private property came into discussions. For the first time, especially in the port cities of the empire, the city centre started to be developed with new functions like banks, insurance companies, commercial plazas (iş hanları) and hotels These functions are followed by new infrastructure investments like train stations, ports, entrepots and post offices. With the diversification and expansion of economic activities urban areas started to attract populations from rural lands. This changed both the composition and the structure of cities. Cities were expanded and banlieu developments occurred. New social classes appeared. In relation with the losses at wars, the relocation of Muslim populations coming from lost lands became a big urban management problem. With the increasing population of cities and their densification (especially in İstanbul) first planning institutions were established in 1855. Main subjects of this planning were the partial plans for small neighbourhoods, redevelopment plans for burnt areas and development plans for new neighbourhoods designated for Muslim populations coming from lost lands. Later with the introduction of the city beautiful movement into urban agenda, architects took the responsibility of plan making from cadastral engineers.

Although the authority of the central ottoman government over the cities decreased, Şengül (2009[2001]:107) claims that it is still possible to talk about an autonomy for urban governments. The relationship of local governors with the central authority was a controversial one and it was open to bargains, compromises and conflicts. In connection with difficulties in transportation and telecommunication, it was possible to claim that central government find it hard to command over local units (Tekeli, 1973:261). İstanbul was the dominant city if not primate. This created tension between İstanbul and the rest of Anatolia. With the development of commerce, religious and ethnic division among neighbourhoods in most of the ottoman cities, transformed into a class conflict when İstanbul becomes the

subject. Both economically and socially, non-Muslim ottoman minorities benefited from early modernisation and integration movements with the west. But Muslim populations kept living in poor, distant neighbourhoods with traditional lifestyles and mostly with inadequate infrastructure (ibid:263).

6.1.2. Early Republican Times and The Urbanisation of The Republic (1923-1960)

The WW1 and the following war of liberation terminated the Ottoman Empire and led to the creation of the Republic of Turkey. Starting from 1923 until the end of 1930's the republic of Turkey faced a number of reforms. Despite their novelty and significance in terms of social and cultural life, Boratav (2009[2001]) argues that economic policies were surprisingly in continuation with the previous period. At the beginning this implies the direct control of the state over the production and exportation of many goods. Later through certain privileges the state gave this role to some international and national companies in which state officers were shareholders. Foreign capital was also invited providing that they acknowledge functioning under the laws of the Republic. During the great depression of 1930, similar to other underdeveloped countries, the price of raw materials decreased to a considerable degree and the response of Turkey was to move out of open market conditions and to enter into a period of protective national industrialisation (mostly covering consumer goods like textiles and food). As a part of the capitalist development process, the State became a very active agent in the economic life through direct investments, management strategies and controls. Influenced by the Soviet planning experience, Turkey produced its first industrial development plan in 1934 to canalise resources to definite sectors and areas in the industry.

The urbanisation process during the republican times can be seen as the continuation of the ottoman modernisation project. Despite the negligence of Ottoman periods about urban development, the new project put urbanity at the centre of all modernisation policies. With the creation of the republic cities were thought to be the places of modernity and the success of the republican modernisation process was considered to be highly dependent on the success of the urban policies which aimed at the provision of health, sanitation, aesthetics and modern culture (Ataturk's speech during the inauguration of the republican festival in 1935, taken from Tekeli, 1984:114). Despite the dominance of the state as the major guiding force, Şengül (2009) argues that the newly flourishing middle class started to take part in the development process hand in hand with the state. The selection of Ankara as the capital, as a rival development pole against İstanbul, was the most concrete example of the republican vision for space. This selection was followed by the development of several urban plans for other industrialising Anatolian cities. During this period investments (mainly based on state

economic enterprises) tried to be distributed equally all through Anatolia and according to Tekeli (1984), as a result of these policies the geographical distribution of population was well balanced compared with the past. With the enaction of the Municipality Law (numbered1580) in 1930, all municipalities having a population more than 2000 had to produce development plans for their areas. Law about the creation of municipalities was followed by other laws tightly related with the control of the urban development (1593 Law about Public Sanitation in 1930, 2290 Law about Roads and Construction in 1933 and 2033 Law about the Establishment of the Municipality Bank in 1934). Despite these efforts to control urban development and to modernise urban landscapes of the Republic, most of the policies failed when applied in practice (Şengül, 2009:118). The lack of financial resources (and maybe more importantly increasing concerns about the distribution of urban land rents) caused the interruption of attempts at urban modernisation (Tankut, 1990). Şengül further argues that inabilities on plan making when combined with the scattered pattern of urban land ownership produced an urban dynamism which was guided through the interests of great number of small scale actors (Şengül, 2009:120).

Boratav (2009[2001]), considering the situation of local governments during early republican period, indicates that throughout 1930's, the state had direct control on local governments. In contrast with ottoman times, when it is not possible to talk about the existence of a well-developed and institutionalised network of local governments, the nation state had to organise the totality of the nation in order to create national unity and identity (Şengül, 2009:113). Municipalities were thought to be the institutions whose duty was to bring services to their administrative area. State officials at the local level were thought to have secondary importance as providing governmental control over municipalities (ibid:117-8). But despite the obligations of the law, municipalities could not perform their duties because of the lack of financial resources and adequate technical staff. The presence of large numbers of small scale urban actors, as mentioned in the previous paragraph, reflected also the composition of municipal councils which started to be dominated by small entrepreneurs (ibid:121).

6.1.3. Second World War and A Period of Economic Preparation (1945-1960)

Turkey did not participate in the Second World War but was highly affected by its consequences. The planning efforts and industrial development programs had to be postponed due to the investment priority on defence industry. Boratav (2009[2001]:83) argues that the considered time interval has to be understood as an incubation period which will show its effects afterwards. The scarcity conditions of the war period increased the trade

capacity of some goods in which wheat took the lead. This can be seen as an important sign for the future as those who benefited from price increases during this period became the powerful retail capitalists of the post-war period (ibid: 89). Combination of open market economy with the conditions of scarcity led to the legitimation of big, wartime profits and caused the relative deprivation of workers and farmers. After the war, Turkey started to experience a new political era with the transition to a multi-party system in 1946 and with the replacement of the government with the opposition party in 1950. Increasing competition in the political system led to the creation of populist policies which consider the demands of masses like workers, merchants and farmers. Another important point to be mentioned about this period was the establishment of an economic system which depends mostly on foreign capital. Afterwards, this dependency on foreign money became the chronic weakness of Turkish economy and costs started to be paid to attract foreign investments.

After the war the United States became the indisputable leader of the capitalist system which entered a period of development and spread. As a result, the barriers against capital flows diminished and American based investments, aids and credits became the critical factors of capitalist expansion (ibid:96). In 1946, despite high foreign currency stock and merchandise trade surplus, successive governments, both from left (CHP) and right (DP), uninterruptedly seek for foreign aid and benefited from diverse foreign resources like Truman Doctrine and Marshall Plan (ibid:99). As a part of the integration process to the capitalist world economy, Turkey became a member of IMF, World Bank and European Economic Cooperation Organisation in 1947.

The expansion conjuncture of the post-war period together with liberalised foreign trade policies soon caused stagnation in the Turkish economy with the decreasing demand to export goods. High scarcities, long queues and the establishment of the black market lead to a new industrialisation wave based on the import-substitution of consumer goods. The industrialisation movement was supported with the National Protection Law to protect national production through control on markets and prices. Agricultural modernisation was considered as another opportunity to increase efficiency in the production of agricultural goods and to lower the prices of basic goods. Although the first stream of international support (Marshall Plan) was directed to agricultural modernisation, the coercive powers of the international institutions soon started to be felt on all other fields of the economy. IMF, as the most active institution in the Turkish economy initiated its “standardised receipts” for the economic stabilisation and demanded the full implementation of the “receipt” in order to release credits. These receipts can be seen as small economic programs targeting different areas in the economy (ie: agriculture) seen to be inefficient in their functioning. The program

covers a range of policies to be adapted on that sector in order to 'modernise' it (i.e.: mechanisation in agriculture or irrigation policies).

After the creation of the Turkish republic, the rural-urban exodus was the second major process that gave shape to Turkish urbanisation. Technological developments in agriculture caused the formation of some surplus populations which later constitute the migration waves to large cities of Turkey. In those cities the population increase reached a rate of 6% a year which was a level of growth only realised in Ankara after being chosen the capital of the Republic. The dramatic increases in urban populations gave birth to various problems including housing, transportation and infrastructure. The housing question was, in a way, solved with the booming number of shanty towns made up of 'gecekondus' while informal transportation units "dolmuş" targeted the accessibility problems. Furthermore, the problems related with the provision of infrastructure could only be solved incrementally, when inhabitants of 'gecekondus' were considered as potential voters during elections.

Tekeli (2009[1998]:12-3) analysing the period between 1950 and 1960, mentions about the development of a new institutional structure which illustrates the way the State approached the recent developments. At first, the Bank of Provinces established in 1947 to provide technical and material support to municipalities for the construction of development plans and infrastructure projects. It was followed by the enactment of the Law numbered 5237 which is about Municipal Financing and aims to provide further resources for municipalities that were experiencing rapid urban growth. In 1954, with the establishment of Chambers of Turkish Engineers and Architects, an important critical actor was created on the side of civil society. Twenty six years after the first one, a new Construction Law (numbered 6875) was enacted in 1956. Different from previous one which was focusing on the metropolitan scale, with this new law, municipalities gained power to intervene on surrounding undeveloped land to control illegal housing developments. Finally, in 1958 the Ministry of Construction and Housing was created. With this final step the scale of planning expanded and 'the region' entered in to the Turkish spatial planning system.

Despite such efforts, due to lack of technical expertise and financial support the State could not play the role of welfare state and produce adequate solutions to observed problems. Furthermore as a result of the individual housing provision[37] as the only type of housing provision in Turkey after the war intensified the need for housing. The insufficient provision

[37] Individual housing provision is based on a process in which the buying of land, utilisation of technical expertise to use the development rights on this land, obtaining permission from municipality and financing the construction of the building through small constructors or 'taşerons' by individuals.

with unmet demand and resulting urban landscape also indicated a contradictory situation in which on the one hand newcomers were considered as a necessary part of the industrialisation process and of the newly developed (mostly informal) service economy; on the other hand they were categorised as illegal occupiers threatening the existence of private property and the law of the state. In conclusion, the lack of sufficient intervention combined with populist policies, necessitated the successive production of Amnesty Laws for the legitimation of 'gecekondu' developments. This final approach, far from producing any structural solution, only hid one of the major problems of Turkish urbanisation whose affects are still continuing until today.

6.1.4. The Planned Development and Urbanisation of Labour Classes (1960-1980)

In 1960, the economy was thought to be ready for a new expansion after the incubation period. This time, instead of market forces, the new economic expansion was to be shaped by five year development plans. While governmental investments were realised in accordance with the development plans, private investments were encouraged to follow guidelines through a diversity of supports and controlled by the State Planning Organisation. Another important point is the changing patterns of consumption. The conditions of the post war period which empowered the urban and rural bourgeoisie also created a growing need for durable consumer goods. This gave shape to the new industrialisation movement despite the limiting effect of the limited technical knowledge and basic inputs (Boratav, 2009[2001]:119). In contrast to initial thoughts of the Turkish government limitations of the industrial production combined with the mass demand for consumer durables; increased the imports and caused new deficits in foreign trade. As a result, the new industrialisation movement and the expansion of the economy needed to be backed with foreign resources. On the political side the multi-party regime and competitive political environment caused the intensification of populist policies. The dominance of powerful landlords, commercial and industrial capitalists in the formation of economic policies lightened with the active inclusion of farmers and workers in voting mechanisms. As Boratav emphasises, an agreement point was established between the long term benefits of the dominant classes and short term benefits of the masses (ibid: 123). Within this context the gains of workers is worth mentioning. Increased unionisation among workers and organised struggle over wages and work conditions soon led to increases in living standards and real incomes, to a level that neither the populist model nor the traditional accumulation regime could tolerate. The economic trends summarised above continued until the end of 1970's and ended with the postponed economic crises referred to as the "petroleum crisis".

On the side of politics, in 1960, military forces took control of the government due to the potential threat over secular legislative system. This military intervention produced a new stream of legislative changes for Turkey. A new constitution became functional in 1961. Following the developments in western countries, the ideas of social state and welfare state first became apparent in the new constitution. The state did not limit itself just to the protection of basic liberties but also took responsibility in the provision of basic material needs of the nation (Tekeli, 2009[1998]). Following the constitutional change, in order to rationalise the utilisation of resources the state introduced the idea of planned development and initiated the construction of the State Planning Organisation which was responsible for the preparation of five year development plans to rationalise state and private investments. In 1963 the new Municipality Law (number 307) was enacted to harmonise municipalities with the recent constitutional changes. At one side, to control the urban growth, new municipalities established to work under greater municipalities. On the other side, new financial arrangements could not create the desired impact on municipalities. To empower the ministry of Construction and Housing a number of laws were enacted. To make the ministry a key factor in the urban development process, in 1969 the Land Office was constructed. The aim was to provide vacant urban land to the ministry but due to the lack of financial resources the Land office could not practice as envisaged. In 1972 new Development Law was enacted. With the possibility of making master plans, this new development brought further responsibilities to the Ministry of Construction and Housing. But once more, due to limited expertise and organisational capacities, the power shift could not be utilised effectively in practice (ibid).

With the initiation of development plans large scale social and economic planning entered into the agenda of Turkey. This affected the plan making mechanisms at the urban scale and it was acknowledged that urban plans also need to consider social and economic dynamics. The aesthetic approach emphasising physical characteristics of the urbanisation was replaced with the rational comprehensive planning approach which necessitates multi-dimensional researches (ibid:121). In consequence, specialisation and division of labour appeared within the field of planning. To protect historical parts of the city urban conservation plans started to be produced whereas to guide tourism development in coastal areas tourism plans started to be utilised. Facing the problems related to urban traffic, the urban transportation plans were put into the agenda of plan making. In major cities, ‘metropolitan planning bureaux’ established to bring experts from different disciplines together around the framework of urban planning. In these bureaux the first urban land use and transportation models were realised. Despite such efforts the plan making mechanisms fail to intervene into urban development process. The rigidity of rational comprehensive approach did not allow

enough flexibility and pace to authorities facing very rapid urban growth and dynamism. As a result the dynamics of urbanisation process always went beyond the plan making mechanisms and resulted in uncontrolled urban growth.

Changing social and demographic structure of cities brought many more problems than the appearance of 'gecekondu' areas. With the increase in urban populations, pollution became a major problem in major cities like İstanbul, İzmir and especially Ankara. Increased car ownership, which was the result of car manufacturing in Turkey, led to the creation of traffic problems in inner city areas. Furthermore with the accumulation of problems in cities, wealthier populations started to move out of traditional residential areas. Urban centres started to transform as well with the decentralisation of small and medium scale manufacturers to designated organised industrial zones and small industry clusters. On the side of housing, considering the 'gecekondu' settlements the state had to change its approach to informal housing areas when the problems related to urbanisation expanded and when 'gecekondu' populations started to gain some political as well as economic power. With the enactment of Gecekondu Law in 1966 on one hand a kind of guarantee was provided to 'gecekondu' owners to be permanent in the city. On the other hand, the production of unauthorised housing became commercialised and started not to serve only for accommodation purposes but also became a mean to obtain ground rents (ibid:127). Considering the formal housing construction the "mass housing" type of provision was encouraged by the second five year development plan dated 1967. Despite expectation of central state interventions, the private sector and local authorities took the lead of mass housing production. With the increasing political power of rural migrants, a new political approach was raised within existing local politics. The "urban leftism" movement initiated by middle class radicals helped the major left wing party CHP to be responsive on the recent urban developments and produce relevant urban strategies targeting 'gecekondus' and urban poverty. Despite the tension between right wing central governments and left wing local governments, between 1973 and 1980, CHP was able to show remarkable success in local elections. With the economic crises, but primarily as a result of the coup d'état that happened in 1980, the "new urban managerialism movement" was terminated. Most of the mayors were forced to resign.

6.2. Political Economy of Neo-Liberalism

> "Neo-liberalism is in the first instance a theory of political economic practices that proposes that human well-being can best be advanced by liberating individual entrepreneurial freedoms and skills within an institutional framework characterized by

> strong private property rights, free markets and free trade….Furthermore if markets do not exist (in areas such as land, water, education, health care, social security, or environmental pollution) then they must be created, by state action if necessary." (Harvey, 2007[2005]:2)

In this second section of this chapter, the particular analysis of the neo-liberal era necessitates a small break away from Turkish political economic context as neoliberal solution was produced outside Turkey and outside Turkish interests but served to Turkey as an economic solution pack for the reasons discussed later in this chapter.

> "This policy was programmed, nurtured and closely watched in Washington"
> (The Economist, 6 October 1984, from Kepenek and Yeğentürk, 1994)

At the theoretical level, neo-liberalism is described as a set of social and economic policies that originated from the western developed countries (mainly from USA and UK) facing the economic crises of the 1970's and that are based on the neoclassical school of economic thought. In search of the ways to (re)operationalise the stagnated Keynesian economic system, neo-liberal policies stress the need for a different economic organisation. Departing from this idea, the role of the private sector is emphasised, commodity and labour markets are liberalised whereas the role of the state within the general economic functioning is decreased. Liberalisation and deregulation both within nation states and global markets and privatisation majorly in the sphere of nation states became the major headings that neo-liberal policies are nested in.

At a more detailed level, Jessop (2002:106) analyses the content of neo-liberalism at three particular levels. At the ideological level, the main argument of neo-liberalism is reflected through the assumption that "economic, political and social relations are best organised through formally free choices of formally free and rational actors who seek to advance their own material or ideal interests". Different from the comprehensive state approach, neo-liberalism defends the idea that public benefit can only be achieved through the maximisation of individual gains. Economically, neo-liberalism defends the expansion of free market economy together with the commodification of every aspect of the economy (including land and labour) and monotonous realisation of exchanges. At the political level, Jessop argues that neo-liberalism still wishes the presence of a constitutional state to take part in the processes of collective decision making processes. The state's existence as a framing/guiding institution is however limited through systematic blocking of its power on economic and social conditions. State's presence is only accepted with a total commitment to

the maximisation of freedom of all actors in the economy and with a substantive recognition of freedom of legally recognised actors in the public sphere.

As mentioned in previous sections, capitalism involves seeds of inequality at its basis and neo-liberalism, as a political economic movement aiming to realise the 'perfect' capitalistic environment unavoidably transmits the unequal nature of capitalism. According to Treanor (2004), neo-liberalism values market exchange as "an ethic in itself, capable of acting as a guide to all human action, and substituting for all previously held ethical beliefs". It also gives priority to the significance of contractual relations in the market place. On the side of Harvey, neo-liberalisation requires, both politically and economically, the construction of a neo-liberal market-based populist culture which consists of differentiated consumerism and individual libertarianism (Harvey, 2007[2005]:42). As a consequence, neo-liberalism defends the idea of the maximisation of social good through the maximisation of free market transactions which ideally bring all human action into the domain of the market (ibid:3). Within this framework, freedom is defined as the liberty of consumer choice which is only limited by the availability of products in the market and which encompasses different lifestyles, modes of expression, and wide range of cultural practices. When economic sectors are considered, the ideas of individualism, commodification and marketisation of values start to reflect themselves as proliferation of some sectors at the expense of others. Increasing importance of the service sector goes hand in hand with the deindustrialisation practices, which also cause a shifting of significance from production to consumption activities.

In connection with the production of inequalities great bodies of evidence suggest that neo-liberalism is composed of policies mainly favouring the well-off sections of societies. And the real effect of these policies is hidden behind the utopic and impracticable ethical idea of equality and freedom. Both Harvey (ibid.) and Duménil and Lévy (2003, mentioned in Harvey, 2007[2005]:16) representing the perspective of developed countries, and Boratav (2009[2001]) reflecting the perspective of Turkey; commonly argue that neo-liberalism is "a project to achieve restoration of [capitalist] class power". In support of this argument Harvey (2007[2005]:23) points out that, neo-liberal policies attack institutional aspects of labour organisation and systematically decrease the power of trade unions, target all forms of social solidarity that act against competitive flexibility, dismantling of welfare state, privatisation of public enterprises, diminishing taxes, encouraging entrepreneurial initiative and all opportunities that envisage the creation of favourable business climate for investors.

To show the unequal character of neo-liberal policies; Harvey provides data about US and Britain. Data demonstrates that the income and wealth in the upper echelons of societies

increased their share of the national income after the implementation of neo-liberal policies. For the case of US the share of national income of the top 1 per cent of income earners reached 15 per cent whereas in Britain the top 1 cent of income earners almost doubled their share, from 6,5 per cent to 13 per cent from 1982 to 2005. Within shorter periods of time, after the sudden switch to neo-liberal policies in Russia, a small and powerful oligarchy arose whereas in the case of China, free market practices produce extraordinary income inequalities (Harvey, 2007[2005]:16-9). Moving closer to developing countries, the situation does not change at all. Harvey points out that the countries of Eastern Europe, together with the Commonwealth of Independent States experienced the largest increases ever, in social inequalities. The same situation is observed among all OECD countries after the 1980's (ibid:19).

As mentioned at the beginning of this part, neo-liberal policies are produced at the hands of advanced, developed countries but spread all around the world and implemented in most of the countries of the developed and developing world with very few exceptions. Further to this, the neo-liberalisation process is under constant control of those advanced capitalist countries as in the global economy failures and successes of the peripheral countries affect the developed ones. The production, spread and control of such a political framework, which is always prone to crisis and (in relation to his) which necessitates constant intervention, necessitate the development of hierarchical institutional frameworks that work all together at different spatial scales. In the following part of the chapter the author would like to discuss this hierarchical structure. When the structure reaches Turkey, the similarities and peculiarities of the Turkish case are analysed on the basis of neo-liberal policies.

6.2.1. Global Scale and Supranational Institutions

Neo-liberal ideology, which is particular form of capitalist ideology, requires cooperative functioning of some institutions. Brenner and Theodore (2008[2002]:18-9) indicate that neo-liberalism forms a new kind of inter-capitalist competition and creates new forms of monetary and financial regulations. For the functioning for the system, it is desired that these new forms and creations are adopted by different countries. According to authors, this necessitates the production of a new international configuration with the systematic re-arrangement of sub national, national and supranational institutional forms. Further to this, they add that supranational bodies have to impose policies on nation states so that trade liberalisation is codified and policies for the promotion of market-mediated competitive relations are realised at all different levels.

Supranational institutions translate concepts into practices and affect development patterns at different spatial scales. While establishments like the World Bank, International Money Fund (IMF), World Trade Organisation (WTO), and Bank for International Settlements are functioning at the global level, institutions like European Union (EU) and North American Free Trade Association (NAFTA) are effective at regional scales. Similar to the 'voluntary' participation of workers in exploitative work conditions in order to survive, states are 'invited' to cooperate with these institutions in order not to be isolated from the rest of the capitalist world. As a result, with the contribution such institutions, spatial possibilities like offshore financial centres, international banking systems and tax havens are created and not only all countries work together in the neo-liberal system but also no country can escape from it.

Following Harvey (2007[2005]) and Boratav (2009[2001]) the role of supranational institutions can be summarised as production and implementation of policies favouring the empowerment of specific capitalist classes at different scales, under the disguise of efficiency maximisation, productivity increase, intensified competition and spread of the free market conditions. So, these institutions are not only following the capitalist logic to promote general capitalistic interests but also systematically support specific fractions within broader capitalist class. The approach of European Union towards the free movement of goods and persons can be cited here to illustrate the case. On one hand, EU tries to obtain benefits from different spatial contexts and scales, aims to eliminate spatio-temporal differences of capitalist development, and brings Europe at a certain level of communality which enables the free movement of commodities, labour and money without obstruction. On the other hand, restrict member countries for the establishment of certain barriers to protect their power zone from "anti-capitalist" influences and develops constraints on commodity, labour and capital movements. These contradictory policies are not limited with EU practices and can be generalised with different examples. What is import here is to see that neo-liberal ideals about the universal freedom and equity are only valid within definite contexts and these ideals are utilised to favour some sections of the global society at the expense of others and creates further inequalities.

Considering the production of space, supranational institutions can only contribute to the process indirectly through the provision of structural frameworks and funds for nation states and local governments. By doing this they become able to have a say on land development by deciding on the amount of money to be allocated on particular pieces of land. This indirect way of intervention affect the development processes both the urban and rural areas. In developing countries, credits are provided for the promotion of infrastructure projects and development of some industrial sectors (mainly by World Bank) to increase their

competitiveness in the international arena. And according to the regulations of the Customs Union, credits are only provided to the cultivation of specific crops whose location had already been designated out of local considerations. As will be discussed for the case of Turkey, such selective provisions work at the expense of some sectors like agriculture and husbandry and cause to their collapse at some cases.

6.2.2. National Scale and the State

Some thinkers, following basic arguments of capitalism about financial and regulatory liberalisation; and its strong emphasis on deregulation may believe that the (nation) state disappeared from the earth and does not exist within the new form of neo-liberal institutional hierarchy. But the reality illustrates the opposite. Authors like Harvey, 2007[2005], Jessop (2002); Brenner and Theodore (2008[2002] argue that the state is far from disappearing from the capitalist arena. Instead, through restructuring, it obtains a new role in the new order of capital accumulation (that is called neo-liberalism). Although the state distanced from the realms of welfare, education, healthcare and social security, it still occupies important roles in the continuation of daily life at the national scale. In this new era where institutions' organisational capacities are highlighted more than ever, the state organisation which developed and evolved historically started to play a crucial role to direct and control neo-liberal policies. The state started to produce decisions, on matters of investment and capital accumulation and enjoys its privileged position on obtaining information and on tracing market signals (Harvey, 2007[2005]:21). Further to this, Harvey (ibid:66), mentions about the important role of the neo-liberal state for the free mobility of capital between sectors, regions and countries, and adds that the state is still necessary to remedy the contradictions of the capitalism which often show themselves as formation of monopoly power and market failures.

As argued before, new forms of state are supported in the search for the establishment of global capital markets. To this end, the state of the pre-neo-liberal period evolved and changed. According to Brenner and Theodore (2008[2002]) neo-liberalism created new forms of governance that change the way the state is conceptualised. With the suggestions of global institutions, states switched to supply side monetarist programs that are followed by devolution of social welfare functions. Both national and local governments started develop policies to promote territorial competitiveness, technological innovation and internationalisation. State moved away from welfare concerns and focuses more on production of policies focusing on the attraction of remote capital through territorial competition at global, national and sub national scales. This 'rescaling' of the state

legitimised economic state interventions privileging strategic supranational and sub national spaces of accumulation. This brings the discussion about the role of the state to a different point of view. As Brenner and Theodore (ibid.) argue, state has become responsible on the creation of inequalities, being one of the key actors implementing neo-liberal policies. Through the implementation of class based policies; uneven spatial development, social and economic polarisations, and formation of new forms of inequalities are not only sensed at the global level but transmitted to national, regional and local scales (or vice versa).

Despite neo-liberal emphasis on collaboration, participation, public private partnerships and network governance organisation principles, due to both intra class and inter class conflicts the neo-liberal system produced a new type of authoritarian state apparatus. Disempowerment of labour unions, cuts from public funding and social welfare policies, and subsidisation of private sector with the public money can be mentioned as some of the state policies affecting labour classes. Although less visible, state may get into conflict with capitalist classes considering the cases of deregulation, selective governmental support and increased monopolisation tendencies in some sectors of the economy.

The Marxist paradigm approaches the developments concerning the role of the state from the perspective of inequalities. It is argued that the inequalities of capitalism (thus the neo-liberal era) are not limited to the social and economic sphere but also have important reflection on space. The elimination of spatial inequalities was once held to be the responsibility of nation states but as Şengül (2009[2001]) points out, the nation state which is a homogenous entity, was not capable of dealing with the problem of spatial injustice which is structurally heterogeneous. As a response to this, through the enaction of neo-liberal policies of decentralisation, local governments were empowered and started to occupy a place between central government and societal forces. The way in which local government internalised this conflicting situation between the homogeneous state and heterogeneous localities is a question to be solved during the process of political struggle (Duncan and Goodwin, 1988; Şengül, 2009[2001]:91).

With compare to global scale where organisational incapabilities limit formation of multiple actors, there exist great amount of institutions at the national scale, in addition to central governments. Some of these institutions function inside the governmental (like ministries) may perform relative autonomy from the state while some others function in complete independence like different social classes, unions, consumer associations, professional champers, political parties and NGOs. These groups interact at the national scale and their alliances and oppositions affect the formation of policies and their implementation. But,

knowing that the system produces authoritarian regimes as well, these oppositions and struggles can easily be supressed and political representation channels can easily be closed by the state.

6.2.3. Local Scale: Local Governments and Cities

During the times of welfare state, the urban level was considered very as those units constituting the welfare state were operated or managed at the local level through the provision of services like education, health, housing, etc. Within this context, local governments were normally thought to be the institutions, responsible for providing urban services to all urban populations. This relationship between urban functions and local governments is best illustrated within the idea of "urban managerialism" of Pahl (1975). In the same vein, Castells defines the urbanity based on the existence of these primary functions which enable the reproduction of urbanites. From this point of view, while cities are occupying a key place in human reproduction, local governments become the major actors of the reproduction process.

Starting from mid-1970's, mainly with the impositions of neo-liberal policies, both the dynamics of urbanisation process and the role of local governments within this process have been changed. As Harvey (1989) puts it accurately, the shift "from urban managerialism to urban entrepreneurialism" realised. As a result, the local government moves from quitted the provision of services, facilities and benefits to urban populations and primarily aimed to foster and encourage local development and employment. This is realised with the implementation of deregulation, decentralisation and privatisation policies at the local level with the intention to realise projects to attract global capital flows. According to Şengül (1999:84) local governments which were once responsible for the provision of collective services were replaced with institutions managing resources for competitiveness and growth, and aiming to respond to demands of capital instead of needs of populations. Şengül (ibid.) adds that this transformation created a new local structure which is based on local governments, local capitalist classes and civil society. Within this new definition, the state is defined as 'regulator' while the space between market and state is bridged by the institutions of civil society (ibid:89).

Harvey (1989) provides a more concrete analysis of the neo-liberal transition and changing role of local governments. For him, massive deindustrialisation, structural unemployment and fiscal austerity at both national and local level did not provide different options for local governments to pursue. As a result, they found market rationality and privatisation the only

opportunities for their survival (ibid:5). Most of the local governments shifted from their managerial position which is predominantly identified with the allocation and management of urban public services to an entrepreneurial position in which the major aim is to attract highly volatile capital flows as the only ways to growth and prosperity. In Harvey's words:

> "Urban entrepreneurialism implies, however, some level of inter-urban competition. We here approach a force that puts clear limitations upon the power of specific projects to transform the lot of particular cities. Indeed, to the degree that inter-urban competition becomes more potent, it will almost certainly operate as an "external coercive power" over individual cities to bring them closer into line with the discipline and logic of capitalist development." (ibid:10)

Within the framework of neo-liberalism, Harvey suggests four alternative development paths for localities. These alternatives are not mutually exclusive but necessitate different backgrounds. Competition within the international division of labour to attract production and service functions is the first alternative. In this alternative localities need to develop the capabilities of their labour force to be able to attract productive capital. Secondly, Harvey mentions about attracting consumption functions as an opportunity to absorb capital. Investments to attract "consumer dollars" go beyond the limits of simple tourism activities and started to cover wide range of investments from physical up-grading of the urban environments to the construction of shopping malls and organisation of entertainment activities. As a third option, Harvey underlines the importance of attracting command and control functions which require heavy investment in transport, communications and development of adequate office spaces. As a final strategy, local authorities are thought to benefit from redistribution of surpluses created at the national level. Presence of governmental functions and industries financed by central governments are some of the functions capable of attracting surpluses to localities. These strategies, without any doubt illustrate how local governments need to compete with each other in order to 'sell' their city to the capitalists (of different sorts) as they become the only sources of growth.

Although cities' survival strategies change over time, their significant role in the continuation of the circuit of capital stays same unless capitalism persists. Sometimes this role is characterised by the provision of public goods for the reproduction of labourers (as in the case of the welfare period), sometimes the demand of capitalist classes are placed at the centre of urban concerns (as in the contemporary neo-liberal era). Today, cities (as a reflection of local governments) obey the rules of circulation processes, diminish barriers to attract further investments and become open grounds for developments. Through this

process, the class domination that became apparent at macro levels started to be sensed at the city level as well. In relation with neo-liberal policies of privatisation, deregulation and decentralisation and together with the disappearance of their welfare role, localities became the implementation grounds of investors while local governments become the facilitators. Especially through deregulation, plan making mechanisms and social and scientific rationalism are replaced with the speculation-based market rationalism (Harvey, 1989:15). Consequently, this new situation, at one side increased the competitive advantage of some localities and increased the capital flow towards these places; but on the other side increased polarisation and inequalities in most of the local cases. Urban gentrification and urban transformation projects which are occupying important places in the agendas of local governments reflect the situation more realistically with their negative consequences. These projects are mostly favoured by local governments as they (re)define the characteristics of urban landscapes to attract capital flows. But on the other side of the coin, similar to other neo-liberal projects, they represent a very selective process in which democratic participation projects are ignored, already existing plans and urban processes are disregarded and due to price increases further social, economic and spatial polarisations are created (Swyngedouw et al., 2002:195-229).

6.2.4. Turkey's Response to Neo-Liberalism or Neo-Liberalism alla Turca

Political economic framework:

Despite all efforts the global economic depression that affected developed countries' economies started to be felt in all sections of the Turkish society towards the end of 1970's. Increasing inflation rates not only disempowered workers and farmers through devaluation of real incomes, but also affected industrialists who could no longer enjoy growth in production. At one side, to secure gains through wages, workers started to use their rights much more than in previous periods. On the other side, a new capitalist class started to emerge out of illegal stocking and black-marketing. Facing these changes, producers had to take some measures as quickly as possible (Boratav, 2009[2001]:146). With the implementation of new liberal and anti-labour economic policies, again backed with military intervention, the capitalists were able to change the context for their benefit. The economic decisions (known as the Decisions of 24th January) started to be implemented at the beginning of 1980 and constructed the basis of neo-liberal policies that have ruled Turkey's political economy since that day. Boratav (ibid.) made three observations in relation to the beginning of this new era (ibid). First of all the Turkish government that had resisted the impositions of the IMF during past years gave up and through devaluation, price increases and removal of price controls

gave much more than IMF requested[38]. Secondly, under the framework of "structural adjustment" perspective that requires the market liberation for international capital through World Bank and empowerment of national and international capital over labour; new policies were more than being part of economic stability program. Thirdly, to break the labour resistance against these policies, the neo-liberal government benefited from the military coup and enacted the new constitution in 1982 (the constitution which is still in use). This new constitution provided the legislative support to the new government to realise structural changes.

Systematic control and regulation measures not only targeted the labour class but also affected government officers, farmers and retired people through constant decreases in their real incomes. Despite their class position the industrialists could not benefit from distribution of national surplus creation as much as they expected. According to Boratav (2009[2001]), with the help of targeted policies, the commercial and financial capital together with rent-gatherer populations increased their share in distribution of income. As a result, it was not the investor / bourgeois classes which occupied the strongest position but intermediaries, consumers and parasitic groups became the principal actors within the changing economic dynamics (ibid:169). Considering international economic relations, export liberalisation, strong encouragements on importation and flexible exchange rate system implied on foreign currency were the determinant factors of the policies regarding international trade (ibid:155). For Boratav, this kind of economic development can only be sustained by high amounts of uninterrupted flow of foreign resources. The 200% increase in Turkey's foreign borrowings compared to past years illustrates the real source of the nation's economic growth. As a result the decision making mechanisms that guide Turkey's economy moved out of Ankara and became Washington, New York, Bonn, Paris and Brussels (ibid:160-1).

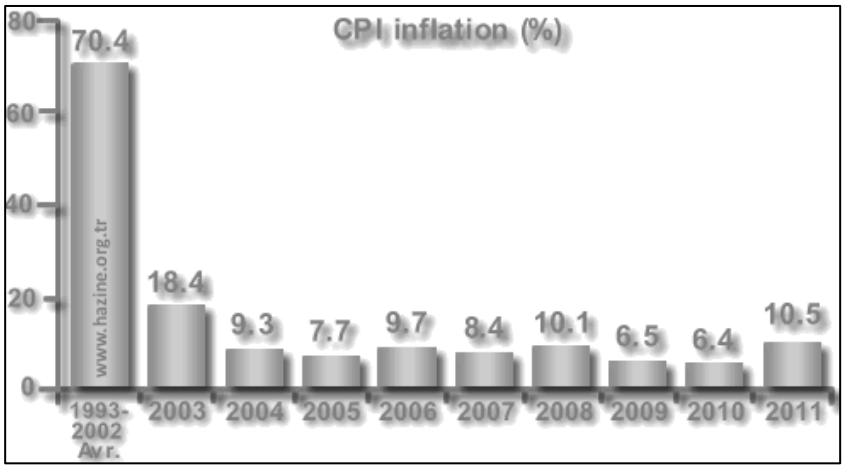
The acceptance of such strong liberal policies and suppression of all opposition became possible through a strong propaganda backed by media support and establishment of a series of civil society institutions. Slogans like "no alternative", "free entrepreneurship" and "privatisation of state industries will spread the ownership to the public" constructed the ideological basis. Increasing numbers of privately owned television and radio channels; and expanding instruments of the written media brought the voice of large capitalist owners to the public and contributed to the spread of the neo-liberal ideology (ibid:156). Boratav also claims that there is perfect harmony and division of labour between the state ideology and

[38] In order not to break apart the political economic context, I shall discuss later the impact of supra national institutions in a separate section both to show how such policies differ from those implemented in developed world and to identify the influence of these policies in the formation of government policies.

the bourgeois ideology (ibid:158). As a result the class consciousness and unionisation were suppressed together with all left wing movements. These losses led to increasing individualisation, recruitment to religion and the shift of the focus of life from work place and production to neighbourhoods, urban fractions and to family and mosque. These conditions enabled the necessary conditions for the growth of the petty-bourgeois life style, its spread among urban masses and cultural erosion. In both social and economic aspects polarisation in cities increased. Sönmez (1998) points out the economic side of the polarisation. According to his findings, in 1990, the richest 20% of İstanbul's population was obtaining more than 57% of the city's income while the poorest 20% of its population could only obtain 4,6% of İstanbul's income. In sum, despite all the propaganda of neo-liberalism which emphasised the distribution of wealth in much more egalitarian ways, the spread of prosperity and development to all sections of the society; the system produced more harm than good.

Despite several negative consequences (like the suppression of labour class power, increasing opportunities for profit seeking investments, lowering of all barriers -institutional, legal and spatial- to facilitate accumulation and concentration of capital, etc.) adoption of neo-liberal policies in Turkey created a very favourable macro-economic environment for investors. From the initial attempt to create exemplar IMF country obeying the dictated, Turkey later moved to the level of the developing world economies.

Turkish economy has grown with an average growth rate of 6% between the years 2002 and 2011. The country increased its GNP per capita from 3.492 USD to 10.469 USD within same period of time. Today, with a 1,125 billion USD GDP (Wold Bank, 2010) Turkey occupies the 15th position among countries having the largest GDPs. Further to this, the chronic high inflation rates, that have long limited the growth of Turkish Economy reduced to much acceptable levels (Graphic 1). As a result of these positive economic indicators, Turkey is now considered as one of the world's best investment places. According to Central Bank of Turkey, the inflow of FDI in Turkey increased from 1,8 Billion USD in 2003 to 16 billion USD in 2011 with a peak of 20 billion USD in 2007 (ISPA, 2013).



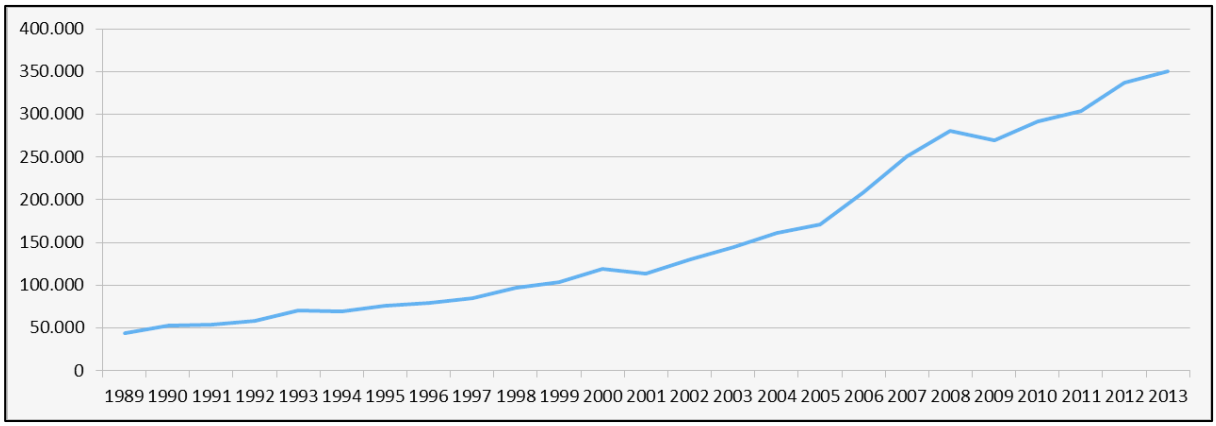
Graphic 1: The evolution of the consumer prices index (CPI) inflation rates in Turkey, 1993-2011 (Source: Association of Treasury Controllers, 2012. web site accessed on June 2013, http://www.hazine.org.tr/en/index.php/turkish-economy/71-turkish-economy-inflation)

Despite its fast growing economy and its international economic appeal, Turkey is faced with many problems including high amounts of economic injustices. The economic growth mainly supported by cash flows (also called hot-money) produced a record external debt of 350 billion USD in 2013 which was 129 billion USD in 200139. This money flow utilised in non-productive purposes prevent the spread of wealth to larger populations. Among OECD countries, Turkey has the highest Gini Coefficient[40] after Mexico[41]. Considering European countries, Turkey has the highest percentage of poverty, with 22,8% (Buğra, 2010). Unequal nature of economic growth shows itself in many other areas including the development of income inequalities, decreasing standards of working conditions, increased unemployment rates (especially among young and women), difficulties in accessibility to education, decreasing number of social service and decreasing standards of quality of life in general. As Sönmez (1998) demonstrates, inequalities in Turkey exist at different scales with increasing degrees. He further comments that with the neo-liberalisation, both the regional divide between east and west and urban inequalities in Turkey increased to levels that were never seen before in Turkey.

[39]http://www.hazine.gov.tr/File/?path=ROOT%2fDocuments%2fKamu+Finansman%c4%b1+%c4%b0statisti%c4%9fi%2fT%c3%bcrkiye+Net+D%c4%b1%c5%9f+Bor%c3%a7+Stoku+(Ar%c5%9fiv).xls accessed on 11.09.2013

[40] An economic indicator that is used to define the gap between the highest and lowest income groups.

[41] OECD, 2008, Growing Unequal? Income Distribution and Poverty in OECD Countries, s. 51



Graphic 2: Change in the gross foreign debt stock of Turkey, 1989-2013, in billion USD
(Source: Undersecreteriat of Treasury, Central Bank of Republic of Turkey, Turkish Statistical Institute)

International connections:

Previously, it was argued that international intuitions intervene into nation-state affairs for the implementation of neo-liberal policies to become able to exploit the human and material resources of these countries, to make them open markets for developed countries, and to establish a coherent governmental structure with the neo-liberal aims. To this end, it was not a coincidence that the neo-liberal program is formulated and implemented in Turkey by a former employee of the World Bank, Turgut Özal. Before 1980's the recommendations of international institutions, especially of International Money Fund (IMF) and World Bank (WB) were considered as subsidiary elements of the national economy. But with the implementation of neo-liberal policies, these recommendations became rules shaping Turkish national economy. For an economy in transition from import substitution to export oriented and aiming to increase national competitiveness; governments were highly dependent on hot money flows. For this reason, successive governments had to realise what international organisations dictates on them to obtain credits and grants.

The foreign influence in Turkish political economy showed itself with structural adjustment policies (SAP) were prepared by IMF and WB, and aimed to prepare Turkish economy to neo-liberal conditions. The first wave of structural adjustment policies was carried out during 1980's. During this first stage Turkish economy was restructured in accordance with the principles of competitiveness and free-market principles. The pace of change slowed down with late 1980's due to consequent implementation of populist policies to supress growing social and economic inequalities. To be able to continue structural adjustment programs, in 1989, Turkey totally removed the barriers against the flows of capital. As the last point in international trade liberalisation Turkey entered the European Union of Customs in 1995. These attempts, at one side, made Turkish economy further integrated with foreign flows of

capital and became more vulnerable to international crises and fluctuations. On the other hand, further liberalisation brought further inequalities. Between 1994 and 2001, national income constantly decreased between 6% and 9,5% (Boratav, 2009[2001]:172). This has resulted with successive economic and political crises during the 1990's. The pace of neo-liberalisation process in Turkey decreased to a considerable degree. Experienced crises situation presented as the outcome of insufficient liberalisation rather than being its negative consequence. As a result a second wave SAP started to be implemented with the beginning of the new millennium (Karaman, 2013).

At the same time period, Turkey's long journey of accession to European Union (EU) obtained a new dimension when EU accession Partnership Document is signed. Despite limited number of positive aspects, the agreement soon became a burden over Turkey's shoulders being an additional commitment to the existing ones. With the opening of chapters related to diverse aspects of social, economic and political life, neo-liberal policies entered to all aspects of life in Turkey.

In relation with EU agreements and following the guidance of the second wave of SAPs, Turkey entered to a second period of neo-liberalism with more will and enthusiasm. With this energy, Turkey realised several reforms, among which Public Administration Reform can be considered as the most important. After its inaction in the year 2000, the reform re-structured central and local government organisations, decentralise most of the functions, and made local and central governments more competitive and market friendly. At one side, central governments guaranteed to "impose versions of market rule and, subsequently, to manage the consequences and contradictions of such marketization" (Peck et al., 2009:51). According to Karaman (ibid:5-6) local governments became "semi-autonomous market actors granting the right to privatise public assets, to implement urban renewal projects, to participate in public-private partnerships, to form private firms or real-estate partnerships with private firms and to take up loans from national and international financial institutions".
Boratav (2009[2001]:173) argues that between late 1980's to the beginning of 2000, through the implementation of SAPs and EU Accession Policies, Turkish political economy entered under the total guidance of international institutions. Through diverse examples, the foreign influence in Turkish economy can be diversified. The commitment of successive governments to international institutions (including private financial firms) is so strong that in each of their actions (however local or specific), it is possible to find traces of these commitments. But neo-liberal political economy in Turkey offers more to analyse. The discussion further continues with changes in local practices.

Local government:

As mentioned previously the state affairs decentralised considerably and local governments were empowered to meet the local desires, or more precisely to meet the local needs of the capital. The enaction 3194 Development Law in 1984 illustrated the government's desire for decentralisation and deregulation as municipalities were empowered both financial and legally, they become almost autonomous entities with no accountability to central government or any other institution. As a tool enabling the production of urban space, urban development and implementation plans were to be prepared by municipalities. Policies, empowering local municipalities further enhanced with the inaction of successive laws concerning municipalities in 2004 and 2005 (5393 Municipal Law and 5216 Law concerning Greater Municipalities). After these changes, mayors became the most powerful local actors and obtained the right to ignore municipal council decisions in any decision making processes including plan production. At the end, despite the inclusion of participatory mechanisms in legislation, practical realities made municipal mayors the most important actors of urban politics. In doing all of these, central government intended to develop a local framework to facilitate accumulation of capital at the local level and to increase competitiveness between localities and thus to increase efficiency.

Despite concerns over competitiveness and efficiency, similar to expansion of national foreign debt within the years of neo-liberalism, municipal debts to central government increased significantly. Although the Ministry of finance do not provide information about the evolution of municipal debts, the Undersecreteriat of Treasury (2013) declared that 66% of all debt to the Treasury (10 billion USD) belongs to the municipalities. According to the inquiry of Aylin Nazlıkaya, member of the Parliament, the overdue debt of the Greater Municipality of Ankara[42] increased 10 times[43] while the overdue debt of EGO (Electricity, Gas and Bus Management), a sub-firm of the Greater Municipality of Ankara, increased 88 times[44].

In this restructuration process, space, especially the urban space became the implementation ground of neo-liberal political economy (Harvey 2006; Peck et al., 2009; Peck and Theodore, 2012) and major Turkish cities made no exception to this (Lovering and Türkmen, 2011; Lovering and Evren, 2011; Karaman,2012). Internalisation of export oriented free market development strategy needed to be supported by a series of investments to

[42] Debts include loans from private banks and foreign resources. For all the loans of the municipalities, central government is utilised as the guarantor and takes the responsibility of repayments.

[43] From 247 million 695 thousand USD to 2 billion 562 million USD

[44] Governmental response to the inquiry of Aylin Nazlıkaya, member of the Parliament, article appeared in HaberSol, April 2013, http://haber.sol.org.tr/devlet-ve-siyaset/1993-2011-arasinda-ankara-buyuksehir-belediyesinin-borcu-20-kat-artti-haberi-70979

enable the free flow of capital. To this end, the state primarily considered cities as investment fields for the preparation of physical infrastructure, transportation systems and telecommunication networks. Similar to the early-republican attempt to cover the country with rail networks, the neo-liberal governments aimed to increase in car ownership and cover the country with the road network. Even the remote villages became reachable through extended telecommunication networks. Several small Anatolian cities found the opportunity to communicate with international consumers, able to develop their industries and started to sell their products without the intermediation of other cities. With the increasing need for foreign money, tourism investments intensified at coastal areas, several tourism development zones were identified. South Eastern Anatolian Project that was planned during 1970's and implemented at the beginning of 1980's aimed to enhance productivity and employment in the region and decrease regional disparities. While medium size cities experienced the transition from agricultural to industrial societies, in larger cities the transformation was from industrialisation to information technologies. In İstanbul, Ankara and İzmir producer services like finance, insurance and real estate; and associated command and control functions started to flourish.

As a key instrument of neo-liberalism, urban entrepreneurialism is invented as the local management strategy at the beginning of 1980's. The local political strategy once aimed the provision of services, considered urban poor and defended the idea of maintaining social services was completely abandoned and replaced with the idea of service provision through economic enterprises. Urban investments became the major instruments of the transfer of resources from central or local governments to private firms (Eraydın, 1988; Şengül, 1999). In return massive construction of shopping malls, five star hotels, convention and business centres dominated urban landscapes. As a result, cities that had been the primary places of welfare provision and collective consumption became the primary source of capital extraction in the neo-liberal era. Although Turkish welfare state had never been as powerful as its western counterparts in shaping urban landscapes for re-productive purposes, neo-liberal era brought Turkish and western cities to a common ground, being central places of exchange values and investment. Further to this, as Tasan-Kok (2008) indicates, international activities and foreign investments come to the cities mostly in the form of spectacular projects and this hardly contributes to the social reproduction of urban dwellers.

Neo-liberal political economy, emphasising the dominance of capital in the urbanisation process, redefined the relationship between the primary and secondary circuits of capital. This redefinition emphasised a change in the established balances favouring the primary circuit of capital since the creation of the republic and a restructuring in favour of the

secondary circuit of capital. As a result, big cities become the target of most of the private and state investments. While infrastructure, transportation and housing investments change the urban landscapes, it is acknowledged that cities are no longer the space of small scale, traditional and local capitalists. Large capitalists first started to take part of state investments and then invest independently. During this period through the elimination of political resistance and legislative barriers, the capital becomes able to reach every corner of urban life and establish its hegemony over urbanity (Şengül, 2009[2001]:139).

Injustices:

This money flow obtained from foreign debts and loans mostly utilised in non-productive purposes and prevent the spread of wealth to larger populations. Today, among OECD countries, Turkey has the highest Gini Coefficient[45] after Mexico (OECD, 2008). According to research realised by Buğra et al. (2010) considering European countries, Turkey has the highest percentage of poverty, with 22,8%. The research further reveals that unequal nature of economic growth displays itself in many other areas including the development of income inequalities, decreasing standards of working conditions, increased unemployment rates (especially among young and women), difficulties in accessibility to education, decreasing number of social service and decreasing standards of quality of life in general. Considering the urban condition in neo-liberal era, cities became the sites in which different aspects of inequality can be sensed and experienced. Turkish cities illustrate the case as well.

The view considering Turkish cities as the principal sources of investment when accompanied with the state cuts from expenditures on structural programmes (like social security, education and health) increased urban inequalities especially in major cities. The wealth gap between different sections of the society was thought to be lessened by extensive construction programs that have multiplier effects through the inclusion of different sectors. But the distribution of wealth increased existing inequalities. The marginal sections of the society that could not participate in the economic system had to rely on unproductive money transfers from the State (or from EU funds but again through the intermediation of the State) which just contribute to their survival. This dependency relationship between poor sections of the society and the state not only became a strategic bargaining point during political elections but also led to the creation of religious organisations and charities. According to Boratav the present situation in Turkey is very similar to the condition in England two hundred years ago when “poor laws” were produced to contain unjust consequences of unregulated capitalism (ibid:175).

[45] An economic indicator that is used to define the gap between the highest and lowest income groups.

Neo-liberalism with Turkish peculiarity:

Until here, Turkish response to the neo-liberal context has been exposed and the exposition covered mostly the expected, general trends that can also be seen in any other country following the neo-liberal route. This also indicates all the predictable conditions of capitalist re-structuration process according to changing political economic contexts. To this end, it is possible to argue that the neo-liberalisation of Turkey reflects the points highlighted in theoretical discussions about both capitalism and neo-liberalism. Lovering (2007) and Anderson (2010) support this argument by claiming that the liberalisation of the urban economy and culture is globally familiar. But, as Tasan-Kok (2003) illustrates exemplar cases from Hungary and Poland, despite similarities Turkish case also offers peculiarities in the application of neo-liberal policies.

The political economic situation presented above covered the period between early 1980's and early 2000's. The period can be considered as a transition period from an old political economic system to a new one. The transition process is covered with institutional re-arrangements, legal re-formations and constant social and economic adjustments. Further to this, except the Turgut Özal government that initiated neo-liberal process, the political structure in Turkey did not enable any single political party to control the government with parliamentary majority so as to facilitate the realisation of structural changes quickly and comprehensively. But after the General Elections in 2002, Justice and Development Party (AKP) obtained the majority of the seats in the parliament and became able to rule the country according to party politics. With this change in Turkish politics, the neo-liberal era started to be shaped according to peculiar characteristics.

As Eraydın (2011:814) rightly points out, deregulatory policies of neo-liberalism turned out to be regulatory after the constitutional and institutional transformations occur. The AKP government took the government seat at such a period and applied rather regulatory policies to sustain and enhance neo-liberal political economy. Although the western literature also underlines the transformation of neo-liberalist agenda in the course of time and due to raised social problems and reactions (Peck and Tickell, 2002:384) Turkish case differs from the western examples. In Turkish case the transformation occurs to fasten the implementation and development of neo-liberal projects rather than to limit them. Based on this argument, Lovering and Evren (2011) summarises the peculiarities of Turkish e-liberalism under six major points.

- Centralised nature of the Turkish state

- Chronically weak labour market
- Clientalistic political culture
- Intense poverty of large swathes of the society
- Powerful and secretive role of religious networks
- Uncritical mainstream media

One needs to admit that some of these issues were already present prior to AKP government's formation. The existence of chronically weak labour market, presence of religious networks in urban and rural daily life and clientalistic political culture have always been the characteristics of Turkish political economy for much longer times. But one also needs to acknowledge that some of these characteristics obtained different meanings and some accentuated with the AKP government while all of them for the first time started to play key roles in the continuation of 'neo-liberal political economy alla Turca'.

Highlighting the first point, Lovering and Türkmen (2011) argue that the Turkish case differs from others mostly with respect to the authoritarian character of the government that reflect itself institutionally through neo-Ottoman emphasis and personally through the charismatic character of Prime Minister Erdoğan. Despite hierarchical state structure touching upon diverse areas of social and economic life, Erdoğan not only produces ideas from foreign policies to health issues, from art to economics but also impose pressure over government bodies for their implementation. Especially in urban issues, Erdoğan produces good amount of ideas like development site selections from the plane or identification of "inaesthetic" 'gecekondu areas' from his car. Being a former mayor of İstanbul, the Prime Minister still feels committed to the city and does not hesitate to produce mega projects like 3rd bridge to pass Bosporus, 3rd airport, or formation of a settlement area called Canal İstanbul. As can be traced from these examples some of these mega projects have already been advanced despite severe environmental and social negativities and mass oppositions.

Another thing that is emphasised in Lovering and Türkmens' work (ibid.) is that Turkish case differs from other with respect to its institutional and ideological content. Institutionally, by producing adequate legislative frameworks AKP government restructure governmental institutions. This regulation act defines the action areas of institution and gives responsibility to produce target policies to facilitate realisation of state policies. Through this regulation process, the government 'revitalised' Mass Housing Administration (TOKİ) that had been established in 1984, with the first wave of neo-liberal policies. With its new function TOKİ moved out of being a peripheral state institution and performed several individual and public-private partnership projects all around Turkey. By moving its share from 1,1% to 18,6%

between 2003 and 2007, the institution became the main producer of market-rate housing in Turkey (Toruneri, 2008).

Further to this, as a part of institutional re-organisation and in accordance with its authoritarian character, AKP government quitted the decentralisation motive of the initial neo-liberal policies and formed a much centralised government. The urgent and constant need for hot-money for the continuation of neo-liberal export oriented economy together with the existence of legislative and institutional obstacles AKP started to realise centralisation within government hierarchy. To this end, in 2011, AKP restructured the division of labour within the government structure and establish new ministries and abandon some others. Ministry of Economy and Ministry of Environment and Urbanism are among those newly established ministries. Considering the urbanisation process, although municipalities are still occupying important roles in terms of plan making and controlling the urban growth, Ministry of Environment and Urbanism obtained the right to suppress municipal powers (of plan making for instance) when needed. This means if municipalities are not fast and responsive enough to local needs of the capital, the ministry would facilitate the processes from the centre.

On the side of ideological content of Turkish neo-liberalism, Lovering and Türkmen (2011) emphasise the Islamic character of the AKP government. Islam had always been a political tool in the hand of politicians in Turkey (Mango, 2005; Yavuz 2009) but the way how AKP utilise it deserves special emphasis. Different from other anti-capitalist Islamic parties (like Welfare Party) AKP did not followed a path against capitalist accumulation processes. Furthermore, as Karaman (2013) points out, AKP benefited from the financial aids of national capitalist firms (called Anatolian Tigers) developed with the help of neo-liberal policies and carrying conservative, right wing political characteristics. Considering the defects of both system, AKP government transformed political Islam to a political economic system by merging it with neo-liberalism. The destructive and unjust character of neo-liberalism is covered with Islamic practices while Islamic practices are rewarded by the gains of the neo-liberal system. A former AKP member, today's president of the Republic Abdullah Gül describes the party's liberal synthesis as a model in which,

> "the 'thin' instrumental rationality of the free market is supplemented and guided by the 'dense' moral context of 'moderate and democratic Muslim society" (quoted in Karaman, 2013).

This inevitably brings the discussion on the Turkish neo-liberalism's approach to inequalities. Before AKP government, inequalities were seen as natural consequence of the capitalistic

development process and governments did little effort to change or even to compensate the situation. AKP also considers inequality as the natural fact but approached to the problem in a different way. The issue of inequality for AKP is a gap within neo-liberal system that needs to be filled and that needs to be used as a political strategy to be benefited. Islamic motive of alm (sadaka) consisting of financial and/or material aids, supports and donations to poor families or individuals is utilised for this purpose. AKP cadres systemised the distribution of alm very carefully. Islamic business networks and local business man are canalised to finance the system, poor households are identified and certified, and finally the distribution is organised out of volunteer groups who are politically attached to the party (ibid.). But, according to Karaman, the condition of poverty is not the only criterion to be met by the beneficiaries. The system excludes poor families not tightly following religious rules, Alevi's and Kurds as these groups categorically seen as 'hard-to convert' fractions of the society that are opposed to AKP policies. Lastly but may be more importantly, to be able to keep benefiting from such a gap within neo-liberalism, AKP avoids producing structural solution to the problem of inequality. Not only the continuation but also the expansion of the poverty and inequalities is something that AKP government wishes to sustain at any cost as the 'alm-economy' grows their existence started to depend more and more to the system.

Lovering and Türkmen (2011) attract attention to the class character of the Turkish neoliberalism. As expected from the nature of neo-liberal policies the system favours capitalist classes. But different from developed countries' examples the Turkish context empowers the property owners much more than other sections of the capitalist classes. In fact, this is not a surprising finding considering the space dependent character of the economy and importance given to urban areas. Another point that authors underline is the "bulldozer" character of the neo-liberalism in Turkey which negatively affect socio-economic conditions of the poor populations and causes to their displacement from urban lands.

6.3. Retailing in Turkey

The neo-liberal character of Turkish economy, macro-economic positive developments and socio-spatial negativities, reflects itself best in consumption practices. On one side, the market tries hard to meet the ever increasing demands of the affluent consumers with diversified product ranges. On the other side, disadvantaged consumers try to meet their needs within market conditions that consider affluent groups more and more. To this and, it is believed that an investigation on the retailing will reveal more than just sectoral information. The research on retailing follows the Marxist methodology and focuses on the interactions between parts of the system and between parts and the system. For this purpose the

research first focuses on demand side dynamics of the Turkish retailing and try to identify transformations occurred on this side. Later, the focus will move to supply side dynamics and the author tries to summarise the historical development of the supply side, its present situation, the experienced retail transformation, and finally the positive and negative aspects of retail transformation process.

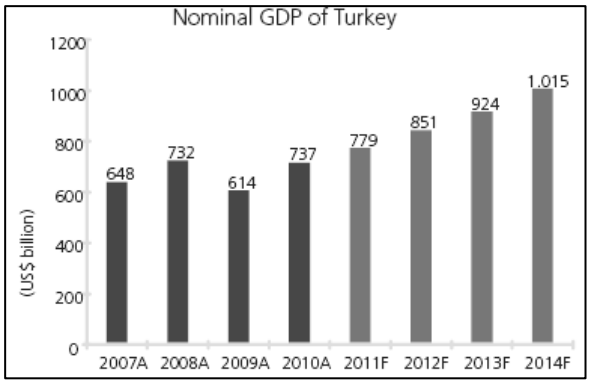
6.3.1. The Demand and Supply Side of Retailing In Turkey

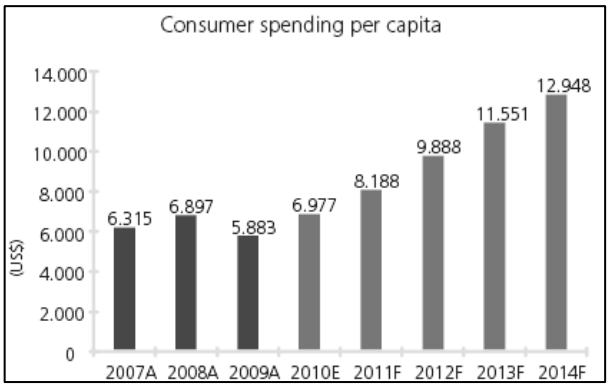
6.3.1.1. The Demand Side Dynamics

Changing demand side dynamics is closely linked to the purposeful state intervention on the general economy, the expansion and liberalisation of the economy and to the retail transformation process. When the political economy of Turkey in the neo-liberal era was discussed, it was mentioned that Turkey experienced a steady growth in its GDP (Graphic 3) and had been able to lower the general inflation trend to a considerable degree (Graphic 1). These macro-economic changes had positive effects on consumer expenditures (Graphic 4) and consumption practices. Diversified demand at one side increased the production of domestic commodities but more than this boosted the importation of commodities. To meet the demand and to increase sectorial efficiency, traditional retail types started to be replaced with modern retail providers. According to TEPAV (Economic Policy Research Foundation of Turkey, 2007) the sector of Fast Moving Consumer Products is the sector which experiences the highest rates of transformation. In economic terms, the transformation can be named as a process of “creative destruction” and as said from a responsible of TEPAV, the effect is not limited with the retail sector but produces increasing number of foreign investments and causes to the restructuring of the credit and finance sector.

Another important point to mention here about the sectorial change is its capacity of employment creation. In 2007, the retail sector employs 2700 thousand person in total. Within this the share of organised retailing is 360 thousand (%7,5 of total) belongs to organised retail sector. Towards the end of the 2008, 380 people thought to be employed within the organised retail sector. The fast growth of the sector can be explained with the expansion of shopping centres all along Turkey. It is thought that each new shopping centre create a new employment of around 1000 to 4000 people. Furthermore retailing targets the segments of populations having higher unemployment rates; the unspecialised, young and women and offer capacities to employ these populations. The state need to produce policies to protect and may be to re-allocate those people working in traditional enterprises that stay

on the destructive side of the transformation and that occupy a disadvantageous position against new retail formats.





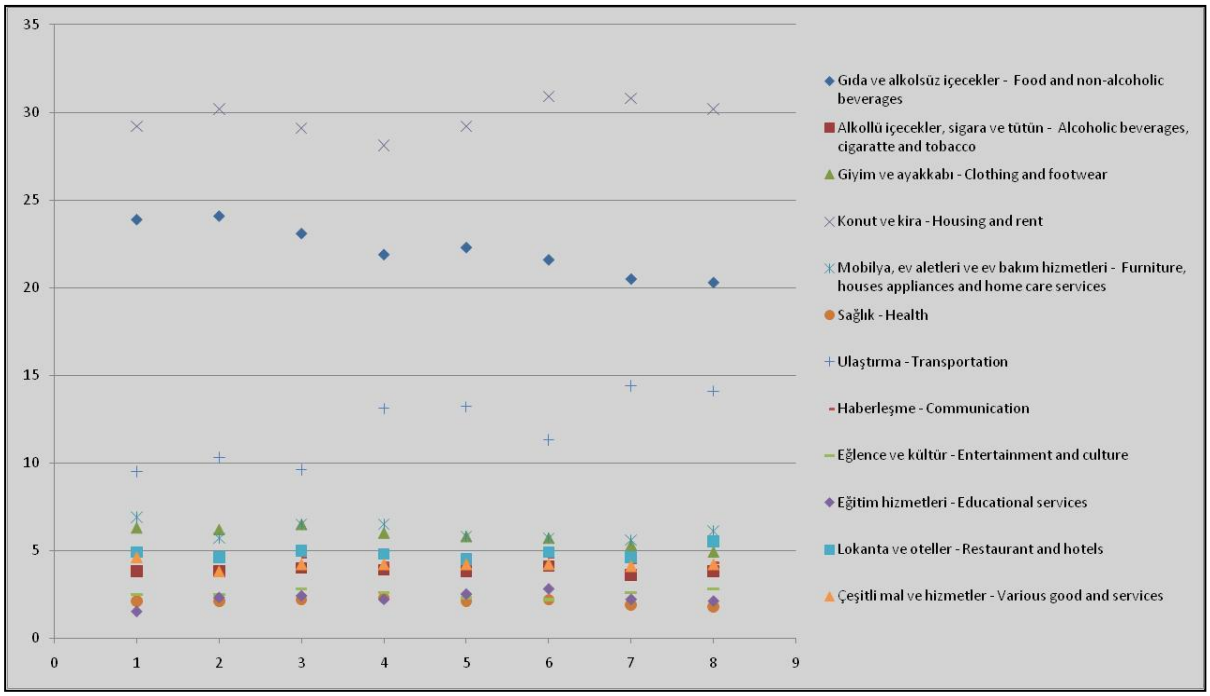
Graphic 3: Change in the nominal GDP, Turkey, 2007-2014 (in USD billion)

Graphic 4: Change in consumer spending per capita, 2007-2014 (in USD)

(Source: BMI, EIU, TUIK, World Bank)

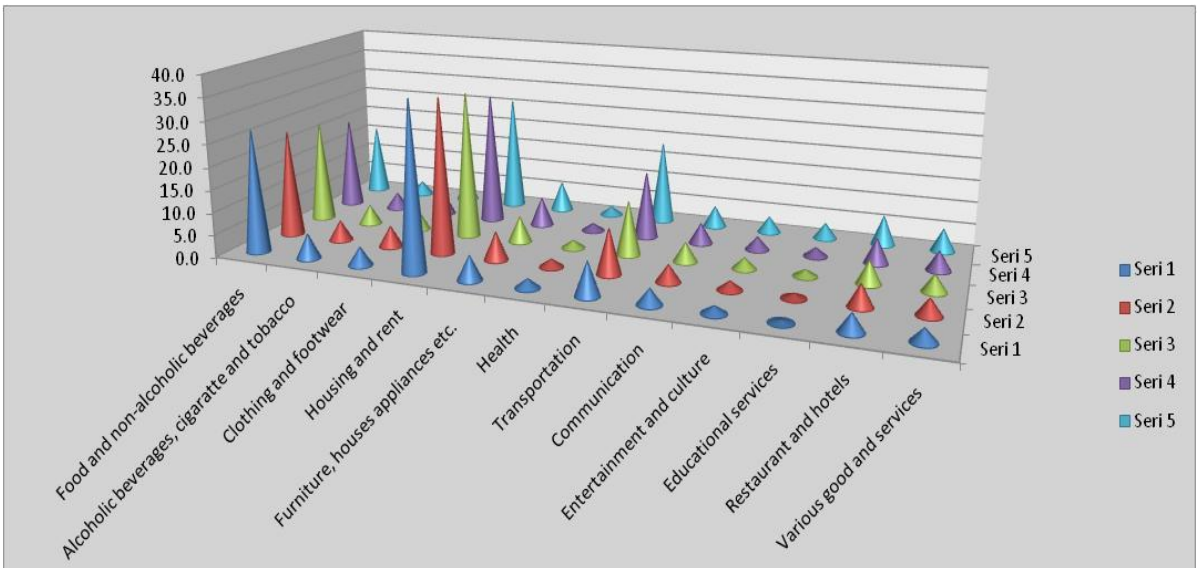
In 2006, the retail sector in Turkey is consisting of over 200 thousand sale points and offers a market volume worth 65 billion USD. The organised retail takes a share of almost 40% with a volume of 25 billion US dollars. The sectorial division within retailing indicates that the purchase of foodstuff covers 65% of all retail purchases.

The results of the Consumer Expenditure Survey realised by TUIK (2010) offers very important information about household behaviour on retailing. The survey period covering the years between 2002 and 2009 and focusing on urban areas illustrates that the expenditures covering food and non-alcoholic beverages is separating from all other consumption items. It occupies the second largest share, with an average of 22, 5% and is coming just after payments for housing and rent, with a share varying around 30% (Graphic 5). For all other income groups housing and rent expenditures are followed by the expenditures on food and non-alcoholic beverages and it is possible conclude that expenditures concerning foodstuff occupy an important part of household expenditures and despite its decreasing percentage over the concerned time period (2002-2009).



Graphic 5: Household consumption expenditure by types of Expenditure percentages Urban (2002-2009) (with x axis indicating years and y axis indicating percentages)
(Source: TUIK, 2010)

The same survey enables the observation of expenditure results grouped by income quintiles (Graphic 6). The section taken from the latest year, 2009, illustrates that the percentages and ranking of expenditure types may vary according to income groups. The richest 20% of the population spare 26% of their expenditures for housing and rents, transportation occupies second rank with 18%. For the lowest quartile the payments on housing and rent makes 37% of the expenditures while expenditures on food and non-alcoholic beverages consist of 27%. Regarding these two results and from the rend exposed on the graphic, it is at one side, possible to claim that the importance of food expenditures rises with the decreasing income profile together with the share of housing and rent. On the other side, this increase in food and housing expenditures are compensated by decreases in other sector expenditures like transportation, education and restaurant-hotel utilisation.

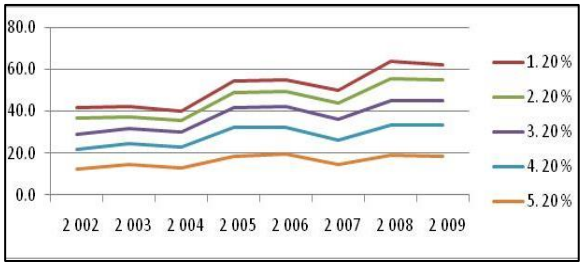


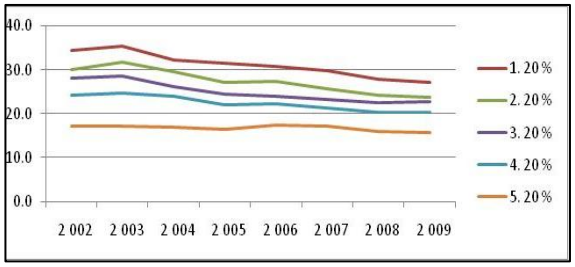
Graphic 6: Distribution of household consumption expenditure by quintiles ordered by income, Urban, 2009. (Seri 1 indicating the richest quintile, Seri 5 indicating the poorest quintile) (Source: TUİK, 2010)

An interesting point raises when the evolution of food espenditures is analysed with regard to quintiles ordered by income when two sectors, the food and non-alcholoic beverages and transportation is considered. From 2002 to 2009, all groups except the lowest 20%, experience decreases in their food consumption at varying degrees from 7% for highest income quintile to 4% for 4th quintile. Only for the lowest quintile, the observed decrease is insignificant (almost 1%). So, although in time, wealthier parts of the population have been able to spare some part of their income to sectors other than food, the lowest quintile have not been able to find this option. On the other side, transportation expenditures raised for all groups. While for the first 20% quantile the increase is 3% for the lowest 20% it reaches 6%. Regarding the graphs below the increasing transportation costs for richest parts of the population seems less important than the increases in poorest parts of the population as transportation costs only cover 7% of total expenditures for the highest 20% while for the lowest 20% it is the second important consumption item (with 18%) just before food and non alcholoic beverages (16%).

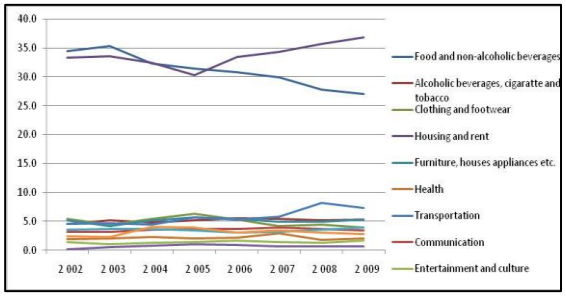
The statistics reflect the importance of the consumption of food and non-alcoholic beverages, together with payments realised for housing and rents. For the highest quintile both expenditures cover 64% of their total expenditures while for the lowest quintile those two types, together with transport expenditures cover 60% of their total expenditures in 2009. Fluctuations in relative importance in the expenditures of the lowest quintile of the populations ended up with a recent increase with 5% in 2007 which pushed food expenditures into 3rd place. As a concluding remark, the author would like to argue that

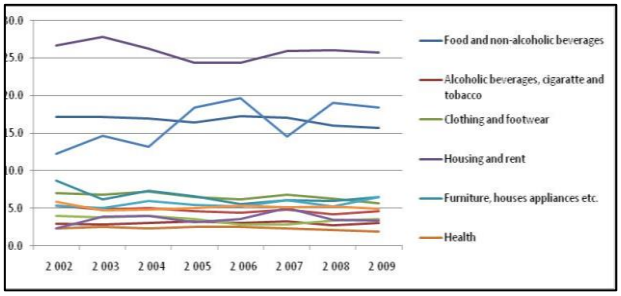
recent increases in the GDP do not affect the consumption patterns of households at a considerable degree. With the recent changes in the food retail environment, that will be discussed in the following pages affect the poor much more than the rich (putting housing constant for all groups) as changes occurred in terms of food expenditures and expenditures for accessibility lowest quintiles affected much more badly than others. Furthermore, the consistency in food expenditures of the lower quartiles may reflect the fact that they are already living in a relative subsistance level and negative chsnges in thier incomes directly threaten their food consumption patterns rather than other types of expenditure like entertainment and culture or clothing and footwear.





Graphic 7: Distribution of household consumption expenditure by quintiles ordered by expenditure, Urban, Food and non-alcoholic beverages, 2002-2009
Graphic 8: Distribution of household consumption expenditure by quintiles ordered by expenditure, Urban, Transportation, 2002-2009
(Sources: TUIK, 2010)





Graphic 9: 1st 20% quintile expenditures by type (2002-2009)
Graphic 10: 5th 20% quintile expenditures by type, 2002-2009
(Sources: TUIK, 2010)

The major factor determining demand side changes is considered to be the increasing per capita income. According to Özcan (1997), per capita gross domestic product (GDP) reached around 10 thousand US dollar in 2008 which is 4.7 times higher than per capita GDP in 1980. The findings of the State Planning Organisation reveals that (2009a), although there is a skewed distribution of income among the different socio-economic classes the overall increase in the GDP has a very positive impact on global consumption patterns of urban households. Increasing GDP level is also backed with the ease to accessibility to diverse financial and credit opportunities which also contributed to the expansion of the consumer

expenditure potential. Indirectly, increasing car ownership, widespread utilisation of deep-freezers, microwave ovens and other home appliances diversified the demand. But, as seen from the Consumer Expenditure Survey results, the increase in per capita income at one side did not affect much the consumption expenditure patterns of households, on the other side its minor effects can only be sensed through the consumption patterns of wealthier populations.

In addition to economic factors Özcan (ibid) underlines the importance of education in changing the consumption characteristics of the population. Starting from 1950's together with the urbanisation process, general level of schooling changed in Turkey. The percentage of the population who had graduated from primary school (five years), junior high school and equivalent (three years compulsory), high school and equivalent (three years) and higher education (university education) increased from 69.5, 4.8, 5.2, and 1.3 per cent in 1950/1951 to 100, 64.3, 54.7 and 23.2 per cent respectively in 1996/1997. The rate of the schooling was 87.6, 53.3 and 25.7 for primary (eight years compulsory), secondary school (3 years) and higher education respectively in 1997/1998 and further increased 104.5, 87.6 and 38.2 respectively for primary, secondary and higher education3. The rate of schooling in female population also reached 102.6, 80.7 and 33.6 respectively for primary, secondary and higher education (SPO, 2009b). Increased participation to education not only increased consciousness among educated populations but also contributes to the spread of the consumption culture through socialisation and creation of mass needs.

The creation of new needs is also connected with the utilisation of media channels to manipulate consumption patterns. Throughout 1980's many privately owned TV channels together with increasing number of newspapers and magazines added to the Turkish media which was once guided only with the State television and a limited number of published media. Such developments in media intensified the level of brand consciousness and start to shape purchasing patterns in accordance with mostly "western" consumer habits to feed "westernised" retailers.

6.3.1.2. The Supply Side

Before the establishment of the Turkish Republic and in the final years of the Ottoman Empire; the weak status of national capital, limited international relations with foreign establishments and the existence of central food distribution system caused to the slow development of retail sector. With the initiation of the municipal system and inadequacies in central distribution system, the need for new provision formats raised. In 1913, the first step

was taken with the establishment of consumption cooperatives 'tüketim kooperatifleri' in İstanbul but this first attempt did not last long. After the creation of the Republic, the state decided to follow an economic policy to encourage the initiation of first Turkish national capitalists. These first attempts created a commercial bourgeoisie whose market based practices started to get into conflict with the social aims of the Republic. As a result in 1936 the state enacted a law to control and lower the food prices across the nation.

In 1950's, Turkey has passed to the multi-party period which was also the time when populist policies first initiated. The government aimed to increase the wealth of households. Lower capital concentration, lack of organisational capacities and knowledge was combined with low and inefficient industrial production lead to severe scarcities in urban areas. Following the enaction of the Encouragement of the Foreign Investments Law in 1954, to develop the distributive system in turkey, to decrease the costs of provision, to increase competitiveness and efficiency MIGROS, a Swiss Union of Cooperatives was invited to Turkey. With the establishment of Migros-Turk Inc., Turkey introduced with the utilisation of receipts, packed products and plastic bags. In 1956 GIMA Inc. a Turkish food retailing brand established again to provide cheap goods to populations.

Encouragement policies and established industrial growth created a good environment for the retail developments and attracted private initiatives to function in the retail sector. Increasing number of retail stores followed by product specialisation in sales. For instance, medicaments, perfumes and stationeries could no longer be found in traditional convenience stores. With the 1970's, increasing capital concentration among small food retailers encourages them to function in food wholesaling. According to Tokatlı and Boyacı (1998), despite intensification of private sector activities in food retailing, concerning the period between 1960 and 1970 the major factor in organised food retailing was still the Consumption Cooperatives. Their number which had been 327 in 1966 increased to 445 in 1970 and started to serve 55 thousand members. In İstanbul there were 18 of these cooperatives functioning under the municipality. Although these cooperatives initiated the first self-service store formats, due to closed economic system, price controls and limited number of product range cooperatives could not develop and disappeared with the free market conditions of 1980's.

The dissolution of import substitution model led to the introduction of foreign commodities into Turkish market and increased the volume of consumption to a considerable degree. The reflection of liberal economic policies developed at the beginning of 1980's reached the retail sector only in 1990's. Large firms wanting decrease their risk level started to look for other

economic sectors to take part. These capital intensive firms initiated a new wave of food provision in Turkey. With the initiation of new organisational projects and establishment of customer services they not only raised the standards of retail provision but also increased the competitiveness within the sector. The successive Privatisation Laws enacted after 1987s caused to the privatisation of older retail firms (like Migros and GIMA). Tax reductions, financial encouragements and accessibility to credit sources made the investments in retailing and especially to food retailing very attractive. Creation of new consumption tendencies and differentiations in class preferences also produced a need for diversified supply. As a result the first shopping centre opened in İstanbul in 1988 and followed by first increasing organisational capacities of producers enabled them to establish power over supply chains and became the major actor in the determination of commodity prices (Özcan, 1997:64). With the 1990's, increasing number and economic power of retailers backed up both with national and international capital, changed again the power relations within the sector. Further liberalisations in the economy augmented the amount of foreign direct investments, international collaborations and brought new management techniques and technologies into the sector. As a result retailing became not only important in urban economics but also turned out to be a determinant factor in the national economy.

Özcan underlines another important character of the contemporary retail sector which lies in its high and secure potential for investment returns. According to Özcan (1997 and 2000), retailing is considered as a secure investment area to ground surplus capital in the global crises. For her "by investing in retailing, large corporations reduce their risk in a not so-stable economy". Secondly, retailers have the capacity to enjoy the strong cash flow created through retail subsidiaries, as well as the security created through their real estate properties. Retailing sector attracting surplus capital from other sectors also transformed itself through technological changes. Utilisation of barcode technologies to track sales, dynamic pricing systems and efficient stock management techniques enabled retailers to respond diversified consumer demand and dynamics.

Today the retail sector in Turkey is comprised of different sub-sectors including home retailing ((US$26.5 billion in 2010), electronics retail (US$7.3 billion in 2010), apparel retail (US$24.3 billion in 2010) and food retailing (US$96 billion in 2010) with a compound annual growth rate (CAGR)[46] of 6.3% over the past 5 years. Within this retail development process

[46] Compound Annual Growth Rate: The year-over-year growth rate of an investment over a specified period of time.

food retailing started to occupy a very important position. The share of food retail sector within all retail establishments increased from 33% in 1992[47] to 51% in the year 2000.

According to a classification concerning national retail companies 8 organised food retail firms found position in the first ten companies while 23 of food related retailer were able to enter to the list of first fifty powerful retail companies (Ekonomist, 2007). In recent years, the growth of Turkish organised food retailing started to reach international borders. According to Deloitte's retail panorama which investigates the most powerful and fastest growing retailers in the world; Migros is located at 206th position in terms of retail sales rank and occupies 19th position among fastest growing retailers. BIM, on the other hand, is placed at the 220th position considering retail sales and found to be the 8th fastest growing retailer in the world (www.deloitte.com/consumerbusiness). Retailing in Turkey is a very powerful sector in the national and international economy which is expected to grow in the following years.

Retail Commerce			
Retail Shares (%)	Aug '09 - Jly '10	Aug '10 - Jly '11	May '11 - Jly '11
Turkey	**100**	**100**	**100**
National Chain	13,3	12,6	11,9
Local Chain	9,5	10,3	10,7
Independent Markets	28,6	27,8	27,7
Discount Retailers	11,6	12,8	12,7
Grocers	12,2	11,6	11,7
Street Bazaars	8,5	8,7	8,1
others	16,3	16,2	17,2

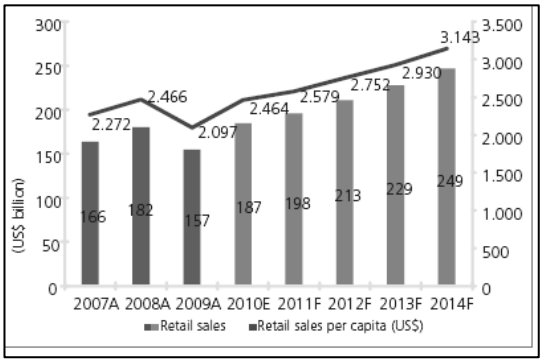


Table 1: Change in shares in retail commerce, percentages, 2009-2011
(Source: BMI, EUI, Turkstat, World Bank, Deloitte forecasts)
Graphic 11: Change in retail sales and retail sales per capita
(Source: IPSOS KMG, 2009)

Positive economic indicators in relation to Turkish retailing sector can be linked to the modernisation of the retailing in return to diversified and expanded demand. In contrast to general belief, the retailing sector in Turkey is still dominated by large number of small, independent, and single-location retailers named as: '*bakkal'* (convenience store), '*manav'* (green-grocer), '*kasap'* (butcher), '*tuhafiyeci'* (draper) and others. Those small capital, technologically weak and less organised retail formats serve to their localities and brought commodities to people despite quality and variety deficiencies. Considering their locational choices, different from complicated site selection methods of organised retailers these small and independent formats "make their location decisions in the face of uncertainty, and essentially on the basis of intuitive judgement, experience, familiarity and coincidence. They only consider areas in which they themselves live, or with which they feel familiar. The spatial

[47] Obtained from Özcan (2000).

decisions can be understood simply in terms of size, type of business, or existing spatial structure. And, “once the decision is made, independent retailers become location-bound” (Tokatlı and Boyacı, 1998:351).

6.3.2. The Retail Change in Turkey

In the face of changing social political and economic dynamics Turkish retail structure started to transform as well. Within this process of change, Özcan especially identify the role of economic liberalisation, and democratisation processes as well as changes in the global trends (Özcan, 2000:106). Being the leading sub-sector within retailing, food retailing is transforming rapidly. As identified by Kumcu and Kumcu (1987), before the 1990’s, the Turkish retail structure was highly fragmented and was neither horizontally nor vertically integrated. Small-scale, capital-weak, independent, and family owned retailers dominated the trade (Samlı, 1964, 1970; Kaynak, 1982, 1986). During the 1990’s the transformation process speeded up and despite their dominance both in market share and number of stores, conventional food retailers started to lose their shares in favour of organised retail formats. Different sources provide different information about the contemporary condition of market shares and number of retail stores belonging to traditional and modern retail types. According to the information provided by AC Nielsen Market Reports the number of food retailers larger than 30 square meters increased constantly in number from 1998 to 2008 (below left). From another source of AC Nielsen reflecting the numbers between 1996 and 2003, it is observed that the number of hypermarkets and supermarkets is increasing while number of small convenience stores (bakkals) is in steady decrease(below right). As a result the former group increased its number up to 60% whereas the later decreased in number to 20%.

	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
Hyper, Chain and supermarkets	2,135	2,421	2,979	3,640	4,005	4,242	4,809	5,545	6,474	7,221	8,252
Hypermarkets >2.500 m^2	91	110	129	149	151	143	152	160	164	178	183
Big Supermarket 1000–2500 m^2	210	251	306	357	368	367	396	454	504	568	623
Supermarket 400–1000 m^2	464	567	726	835	909	968	1,082	1,258	1,567	1,712	1,902
Micro supermarket ** < 400	1,370	1,493	1,818	2,299	2,577	2,764	3,179	3,673	4,239	4,763	5,544
Mid-size market 50- 100 m^2	12,192	13,247	13,232	13,210	13,555	14,537	15,197	15,076	14,775	14,876	15,273
Grocery <50 m^2	155,420	148,925	136,763	128,580	122,342	124,283	122,781	120,397	116,857	115,220	113,295
Total organized firms	169,747	164,593	152,974	145,430	139,902	143,062	142,787	141,018	138,106	137,317	136,820

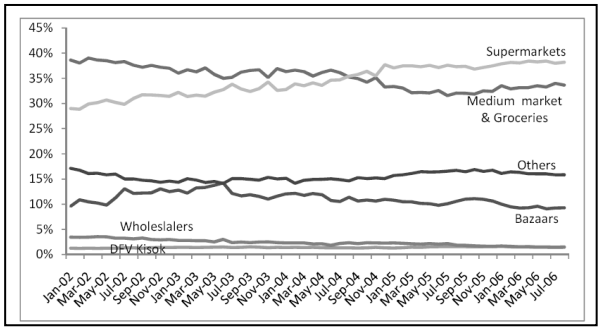
Table 2: Evaluation of the number of food retail outlets in Turkey, 1998-2008
(Source: AC Nielsen Turkey, 2004)

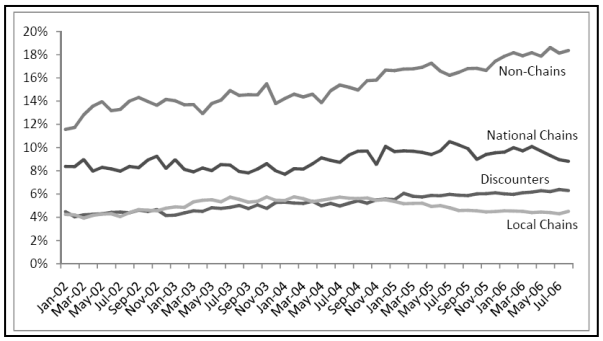
Changes in the number of supermarkets						
	1996	1997	1998	1999	2000*	2003*
hypermarkets and supermarkets	1316	1682	2135	2421	2979	3500
hypermarkets (2500m2)	37	51	100	105	142	159
large supermarkets (1000-2499m2)	95	135	178	227	302	350
small supermarkets (400-999m2)	289	414	487	571	717	793
supermarkets (100-399m2)	895	1082	1370	1518	1493	2198
Change in the number of retailers						
	1996	1997	1998	1999	2000*	2003*
hyper/super market	1316	1682	2135	2421	2636	3500
markets	10755	11417	12192	13247	13795	16000
corner shops	164366	159171	155420	148925	147715	131000
TOTAL	**176437**	**172270**	**169747**	**164593**	**164146**	**150500**

Table 3: Changes in the number of supermarkets and changes in the number of food retailers
(Source: AC Nielsen Turkey, 2004)

Increasing number of modern retail types has implications on the market share statistics. The gaphics number 11 and 12 are taken from Pamuk's (2008) unpublished Master thesis and focusing on the sale of FMCG (fast moving consumption goods) between the years 2002 and 2006. The first grpahic illustrates the growth of supermarket's market share with compare to other formats. Regarding the time period between 2002 to 2006, it is observed that the super markets' market share increased while the share of medium size markets and groceries, bazaars, kiosks, and other retail types decreased. The other graphic introduces the comparison of the market share of retail chains, non chain formats and discounters. As its results, it is seen that the non-chains are having the largest market share concerning FMCG and are protecting their their position with increase. On the side of national and local chains,

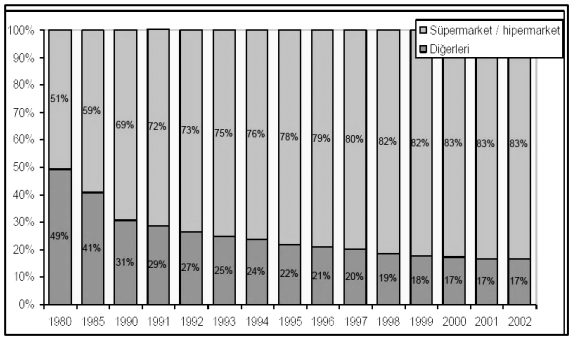
these types keep going at the same market share, 8% and 4% respectiveley. Discount retailers on the other side increase their share from 4% to 6% within the considered period of time. On the second group of graphics, the sectoral market research company AC Nielsen (2004) provides an international comparison regarding the market shares of traditional and modern food retail types. The panaroma reflecting the situation in the European Union (below right) indicates that from 1990 to 2002 the market share of supermarkets and hypermarkets is continuously increases against the market share of other food retail types. A more detailled country based analysis reveals that modern types of retailing is still competing with traditional formats to gain the majority of market share. While the market share of modern food retaling represented with the supermarkets and hypermarkets is changing between 96% in France and 64% in Italy, the percentage becomes 47% in Turkey. Despite the difference the both considering the changes in the number and market share of the retail types it is possible to argue that Turkish retailing is in the process of modernisation and following the path of other European coutries that inspire Turkey not only in terms of social and political issues but also in terms of consumption patterns.

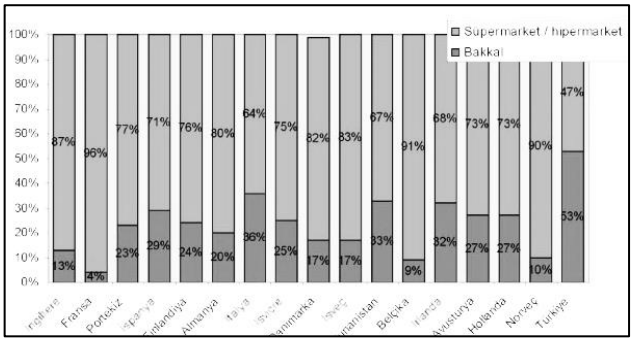




Graphic 12: Developments in market shares of retailers in the FMCG market, January2002 - August 2008 seasonally adjusted series

Graphic 13: Market shares of supermarket format in the FMCG market, January 2002 – August 2008 (Sources: Pamuk, 2008)





Graphic 14: Changes in the grocery market shares in the EU, 1980 – 2002, Supermarkets in light grey, others in dark grey

Graphic 15: Grocery market shares in EU countries, Super/hyper markets (in light grey) and convenience stores (in dark grey)
(Sources: AC Neilsen, 2004)

The retail change in Turkey can be considered as the product of retail sector's internal transformations and some peculiar conditions affecting retailing in the Turjkish case. The

former situation is touched upon in the previous parts of the thesis but especially in Chapter 4. In the coming sections, the latter case, the Turkey specific conditions, are discussed under the headings of influence of supra national factors and Turkish political economic context.

6.3.2.1. Supra National Factors

The growth in Turkish retailing coincides with the broader internationalization and globalization of retail capital in general. Before internationalisation efforts were limited with expansion of western European retailers into Southern European markets. As a consequence of this first expansion movement, Italy and Spain attracted significant number of investments. The implications of neo-liberal policies in Turkey and the acceptance of structural adjustment programs produced an attractive environment for foreign direct investments and particularly to retailing. As a result Turkey, together with Greece and Portugal started to benefit from the second wave of internationalisation movement. According to Özcan (1997, 2000), not only the retail sector but also all related sectors like agri-food sector, the food processing and retailing sub-sectors changed greatly with the arrival of large foreign companies from France, Germany, Holland and Belgium. The first foreign investment in food retailing was made by the French company Prisunic who collaborated with the Municipality of İstanbul to open the BELPA hypermarket in 1990. Carrefour, another French company, started its joint venture with Sabancı Holdings (a major national capital) in 1993, while the Dutch hypermarket chain Spar arrived in 1994. Kipa hypermarkets, a Belgian–Turkish joint venture, opened its first hypermarket in İzmir in 1995, followed by Metro Group, who arrived in 1998. In 2003, the British company Tesco entered the Turkish retail market by buying the Kipa supermarket chain. As of 2004, total investment made by Carrefour and Metro Group in food retail sector was 791 million US dollars; the share of the Carrefour was 69.7 per cent (Koç et al., 2009).

6.3.2.2. National Political-Economy

The political economic perspective in Turkey started to change with the economic liberalization policies. The focus of the economic policy was moved from inward-looking protective business perspective that was dependent on heavy state involvement to export oriented growth strategies which prioritise private firms. With the decreasing role of the government in economic activities massive increases occurred on privatisation of state initiatives and FDI flows that are concretised with the arrival of large retail firms from Western Europe and North America to Turkey.

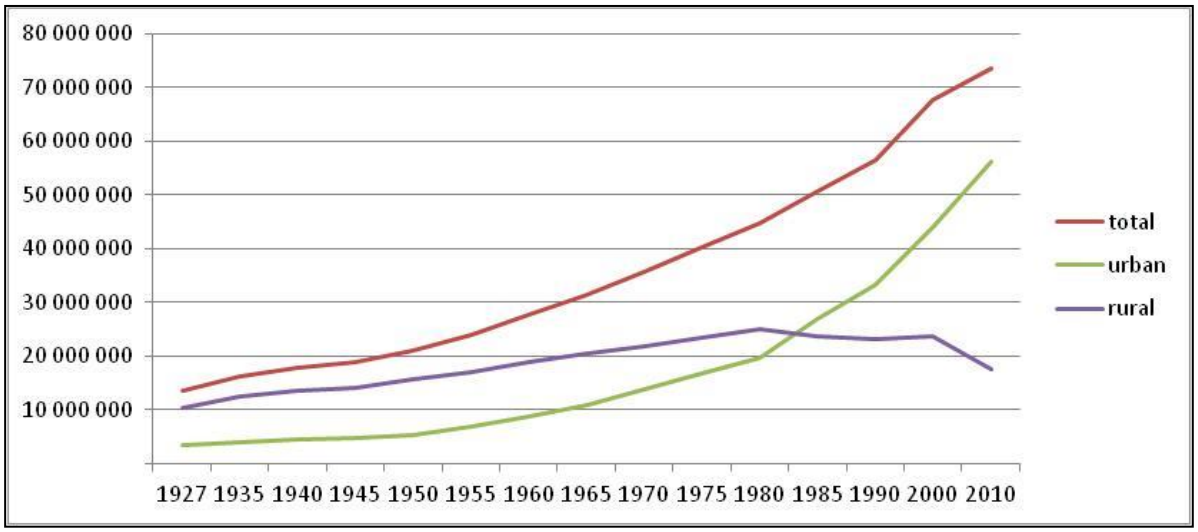
Another key factor shaped the Turkish political economy during the neoliberal years has been the expansion of relationships with the EU. Economic harmonisation with the EU countries was seen essential for the integration process. As a part of the integration process there lied the creation of a friendly investment environment for industry and retailing. Consequent to this, investments in the form of large scale retailing became a viable option for large corporations while manufacturing of retail goods was considered as an attractive alternative.

During the considered period of time, Turkish government showed a particular interest for the modernisation of Turkish retailing which protected traditional characteristics. According to Özcan (1997), government's interest in retail modernisation was a reflection of state's wish to reduce the number of informal and unrecorded commercial activities and to obtain tax returns from the increasing number of registered modern retail facilities. To this end, starting from mid-1980's, the government supported the construction of business, entertainment, and shopping centres through investment subsidies, credits and tax reductions.

Among organised food retailers, hypermarkets, have been the major beneficiaries of increasing government support since 1992. In 1994, almost all government support on retailing was captured by the hypermarkets being established in large cities, mainly in İstanbul. Over time, retailers from other regions also benefited from government support, and imported strategies and technology utilised by hyper and supermarkets.

The population increase in large cities of Turkey was also an important factor in the development and modernisation of Turkish retailing. The population of Turkey reached almost 74 million at the end of 2010 while the urbanisation rate became 76% in average (which is 99% in İstanbul). With the increases in population concentration, largest five cities in Turkey started to accommodate 26,6 million people (%36 of total population) half of which is consisted of persons younger than 29 years old (TUIK, 2011).

Urbanisations in Turkey also lead to increasing women participation in the workforce. This, at one side, resulted with the spread of the consumption culture to broader masses and created the potential of large, steady and consistent demand for products on the other side.



Graphic 16: Change in the urban and rural population in Turkey, 1920-2010
(Sources: TUIK, 2000 and TUIK, 2011)

6.3.3. Advantages and Disadvantages of the Retail Transformation

Positioning the retail transformation process into the political economy of neo-liberalism produces many positive outcomes. With the increasing competitiveness and freedom the retail sector thought to be much more efficient than before. Introduction of those technologies into the system combined with the utilisation of economies of scale during purchases, reduction in prices and diversification in product ranges brought diverse advantages to the retail sector and most of the times help consumers to forget the disadvantages.

Increased organisational capacities of retailing brought other advantages to other sectors as well. According to the report prepared by McKinsey organised food retailing is bringing benefits to service sectors, to the manufacturing industry composed of both national and international producers, and to the agricultural sector. Modernisation in retailing not only contributes to their growth but also make them much more efficient, productive and flexible to changing demands. Furthermore, as a benefit to the states, the established relations become registered and return to the state as tax benefits. According to the report prepared by TEPAV advantages of modernised retailing is much more diverse and cover the fields of logistics and distribution, catering and cleaning, banking and finance, construction, and storage. Metro retail report indicates that retailers are paying a total value of 10 million USD a year as a value added tax (KDV). Modern retailers also contribute to the development of banking sector through commissions spared. According to Metro, the potential of such benefits can be much better understood when focusing on the neighbourhood street markets which have a 15 million USD turnover a year. While developments in retailing contribute to the modernisation of some other sectors it also causes to a kind of creative destruction. Positive

developments on one side are followed by the disappearance of traditional convenience stores (bakkals), traditional wholesalers, individual lorry owners and unregistered producers (TEPAV, 2007).

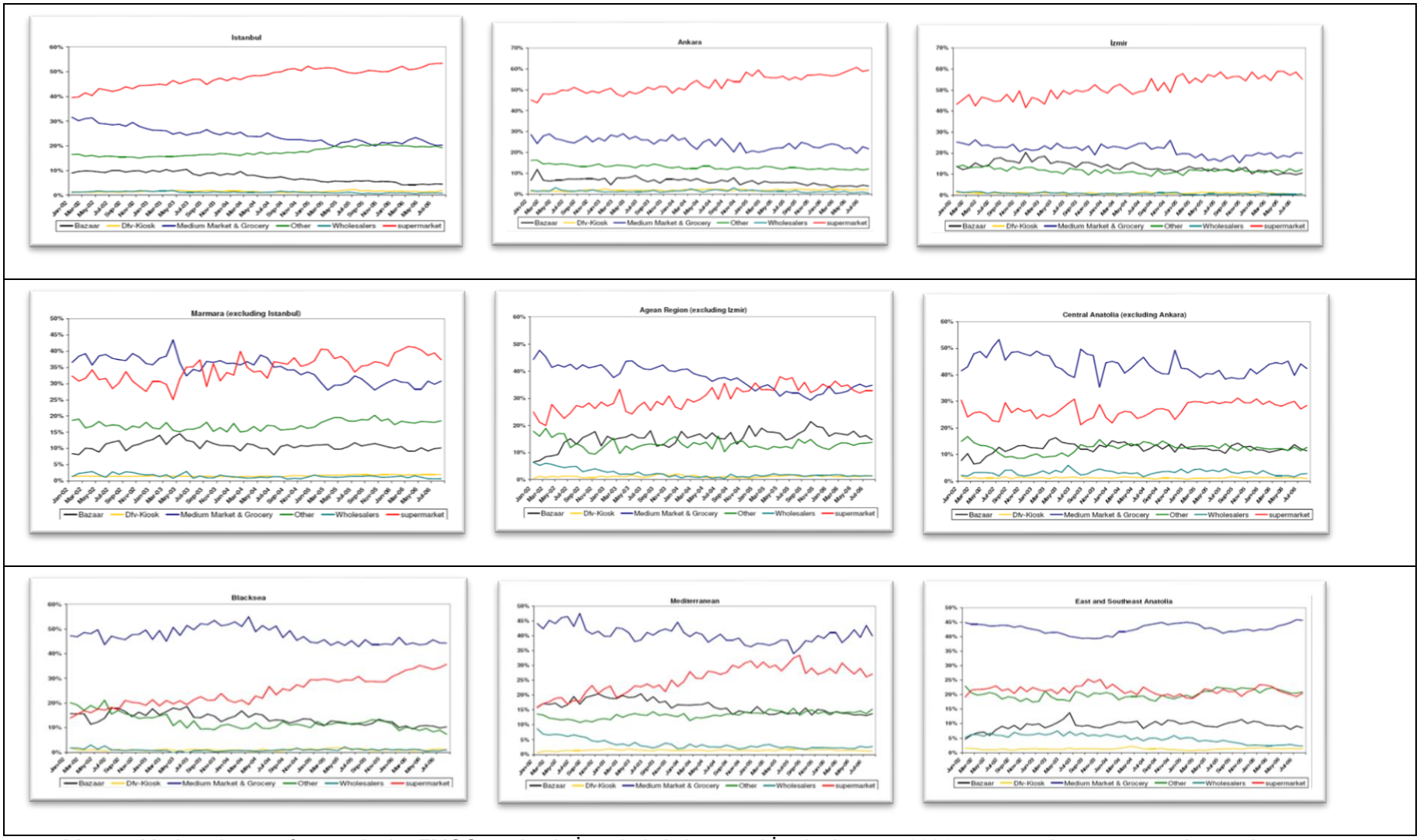
6.3.3.1. The Uneven Distribution of Organised Food Retailers

The retail development and transformation following the demand do not realise homogeneously. In a country like Turkey where geographic, economic and social differences are so apparent the selective nature of retailing becomes much more apparent. As Özcan (1997) points out, although "the purchasing power parity of per capita income is approximately 5.500 USD, there are of course, significant differences among regions and cities". In major cities such as İstanbul, the disposable income is closer to other Southern European countries, whereas in the rural areas and the east the income levels are relatively low when compared with Western European standards. As a result İstanbul, Ankara and İzmir have almost one-third of all establishments although having only one fifth of the Turkey's population. İstanbul itself has a dominant share both having the largest number of retail establishments (17.3 per cent) and of employees (19.8 per cent). Thirteen provinces out of seventy-six constitute more than half of the sector (55.8 per cent). Rural areas and small towns on the other hand (especially in the south-east Anatolia) have an undeveloped retail sector. It is possible to conclude that at the regional scale the spread of the organised retail sector is quite uneven.

Pamuk (2008) in his unpublished Master Thesis utilised the Household Panel Data of Ipsos KMG which includes the information about the consumption of FMCG consumption of households, purchased items, and stores. The data cover the period between January 2002 and August 2006 and the geographical area of whole Turkey. The research shed light on the uneven distribution of modern retail types providing fast moving consumption goods. For three largest cities the share of supermarkets in the market share of FMCG are 40-55% in İstanbul, 60-45% in Ankara and again 45-60% in İzmir. But when the regions these cities are located are considered the shares change. For the Marmara Region (excluding İstanbul) and Aegean Region (excluding İzmir) can be considered as regions in Transition as supermarkets are started to gain the majority of market shares, 25-40% for Marmara and 20-35% for Aegean Region. By moving to further east, differences become more significant. Even for the Central Anatolian Region when the effect of Ankara is taken out the market share of supermarkets decreases to 20-30% whereas other medium size markets and grocers is between 35-55 per cent. In Mediterranean region, the market share of supermarkets still below medium size markets and groceries. Considering the Black sea

Region, although the growth of market share is significant within the concerned period (from 12% to 35%) it still occupies a position below the market share of traditional retail formats which varies between 40-55%. East/Southeast Anatolian Regions, the poorest regions in terms of social and economic profiles, the market share of supermarkets is between 20-25% whereas medium size retailers and groceries are consisting of a share between 40-45%.

The uneven spatial distribution of organised food retailers among cities has also negative spatial implications within cities. The behaviour of large food retailers is different from those of small retailers which they have started to replace. While the traditional retail formats have a very limited market area that can be determined within the limits of a neighbourhood; many researchers indicate that households' socio economic status is the major factor driving spatial behaviour of organised food retailers. The research of Pamuk (2008) emphasises that the average share of supermarkets decreases while socioeconomic groups range from AB (upper socioeconomic group) to DE (lower socioeconomic group). For lower socio-economic groups the street markets, small and medium size groceries take place of the supermarkets. Considering the non-chain supermarkets, they have highest shares for all groups whereas discount retailers and local chains have above 10 per cent market share for all groups. An interesting point rises when discounters are considered as they started to replace traditional food retail formats in lower socio economic groups. Despite their current status below conventional retail types, the market share of discount retailers is increasing among the DE shopping group. The research differentiating the origin of retail capital underlines that the national chains, having higher service qualities and providing relatively luxurious and expensive products, are occupying the highest organised retail market share in socioeconomic group AB and lowest in DE group. The research concludes that organised food retailers are gaining higher market shares for all socioeconomic groups. Secondly, highest socio economic group AB mostly prefers luxury goods or higher service quality and do their purchases from national chains. Thirdly, as the income and education level of households decreases single-city supermarkets start to gain market power.



Graphic 17: Market shares of stores in the FMCG market in İstanbul, Ankara and İzmir; January 2002 – August (Source: Pamuk, 2008)

Graphic 18: Market shares of stores in the FMCG market in Marmara (excl. İstanbul), Central Anatolia (excl. Ankara) and Aegean (excl. İzmir) regions;January 2002 – August 2006 (Source: Pamuk, 2008)

Graphic 19: Market shares of stores in the FMCG market in regions having traditional FMCG retailers: Black Sea, Mediterranean and East/Southeast Anatolian Regions; January 2002 – August 2006 seasonally adjusted series (Source: Pamuk, 2008)

6.3.3.2. Concentration and Monopolisation In Retailing

Retail transformation in Turkey which saw the emergence and strengthening of domestic and international corporate power within the sector also started to experience retail concentration and monopolisation practices. TEPAV report indicates that the competitive environment within the food retail sector needs to be protected in order to increase the productivity and efficiency of the sector and to maximise and sustain its benefits. At one side, this necessitates the protection of the "dual characteristic" of the Turkish food retail landscape which is majorly consisting of modern supermarkets and traditional grocery shops (bakkals). On the other side, the competition between major organised retailers needs to be regulated to prevent from negative consequences of increasing concentration and monopolisation which later cause the elimination of competitive retail environment. Unfortunately, under the light of findings presented above and in relation with recent researches, it is possible to claim that Turkish retail sector is rapidly losing its dual character and soon be faced with negative consequences of unbalanced growth of some retail companies. In Turkey, in 2005 top six food retail companies occupies the 50% of the total market share in food market. In 2008, top five make the 61,5% of all grocery retail sales.

	number of stores	net sales (in TL)	net profit (for the year 2005 and in TL)	market share (%)
BIM	1205	1213218944	15241000	10
Migros	700	1802433056	34807000	22
Tansaş	219	931899776	9323340	
GIMA	74	504819744	32991802	14
Carrefour	378	1480000000	-	
Tesco - Kipa	8	326538528	7897573	4

Table 4: Number of stores, turnover rates, net profits and market shares of major organised food retailers in Turkey.
(Source: Turkish Competition Authority, 2008)

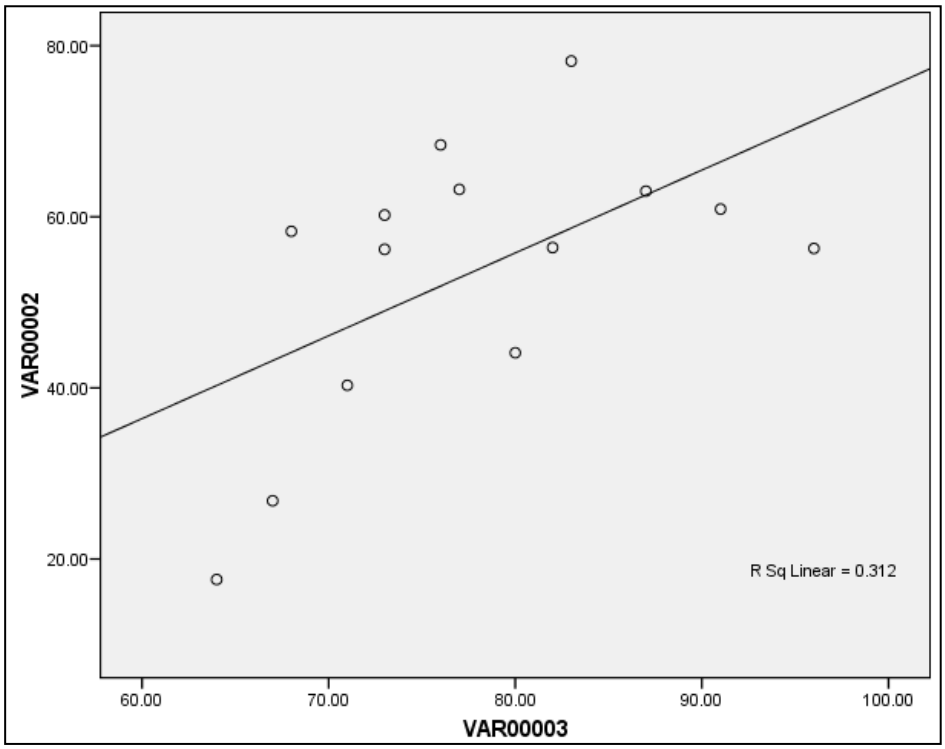
Table 3: Organized Retail Chain in Food Based Grocery Retail Sales, (2008)	
Enterprise	**(%)**
Migros	22,4
Carrefoursa	13,8
BİM	13,5
Metro	7,8
Tesco	4,1
Others	38,4

Table 5: Grocery retail sale shares of major organised food retailers in Turkey, 2008 (Source: Turkish Competition Authority, 2008)

Interesting to mention here but not at all surprising knowing the basics of capitalism, this trend is not something unique to Turkey. According to Deloitte's market report the largest 250 retailer of the world command over the one third of the total market share with an increased turnover of 8,9%. In a more detailed look inside the top 250's reveals that more than 28% of the turnover is realised by the first 10 retailer. The largest retailer of the world Wal-Mart with a turnover amount of 285 billion USD realises three times more return than its closest competitor French Carrefour (Deloitte, 2012). Things are not different within European Union. European countries experienced the retail change at different times and well before Turkey. As expected they are also facing with the retail concentration and related problems of unbalanced growth of the retail sector. The data obtained from the European Retail Handbook (2000) reveals that the market shares of the top five retailers are reaching to 78.2% in Sweden, 68.4% in Finland and 63.2% in Portugal. The correlation matrix constructed below considers the information about market share of modern food retailers (supermarkets and hypermarkets) and five-firm concentration in grocery and daily goods retailing for the same countries in 1999. The positive correlation between the two indicates that the modernisation in the food retail market goes hand in hand with the concentration process.

	1993	1996	1999
Austria	54.2	58.6	60.2
Belgium+Luxembourg	60.2	61.6	60.9
Denmark	54.2	59.5	56.4
Finland	93.5	89.1	68.4
France	47.5	50.6	56.3
Germany	45.1	45.4	44.1
Greece	10.9	25.8	26.8
Ireland	62.6	64.2	58.3
Italy	10.9	11.8	17.6
Netherlands	52.5	50.4	56.2
Portugal	36.5	55.7	63.2
Spain	21.6	32.1	40.3
Sweden	79.3	77.9	78.2
UK	50.2	56.2	63.0
EU 15 (weighted av)	**40.7**	**43.7**	**48.9**

Table 6: Five-firm concentrations (%) in grocery and daily goods retailing for EU member states,1993 -1999
(Source: Estimates based on data from Corporate Intelligence on Retailing's (CIR's) European Retail Handbook, 2000)



Graphic 20: Market shares in diverse European Countries
(Source: AC Nielsen, 2004)

The anti-competitive practice among retailers is just one side of the medal. Several researches indicate diverse negative implications of retail concentration over manufacturers and suppliers. According to the research realised by Tokatlı and Eldener (2002) there are

vertical conflicts between different parts of the product chain which includes the manufacturer-wholesaler, wholesaler-retailer and manufacturer-retailer relationships. Focusing on the relationship between manufacturers and retailers they reveal that retailers establish pressures on manufacturers for the production of their own branded products. But more importantly, at a wider scale what they found out is that manufacturers have lost their bargaining power against the retailers. In another research Kovacı (2007) reports that food retailers not only establish minimum standards for food prices and qualities but also ask for unconditioned product restoration, specific packaging conditions and exhibition fees. Çelen et al. (2005) focus on the relationship between retailers and suppliers. According to their examination based on the surveys covering both the retail and the supply side retailers create pressure over suppliers over the issues of price flexing, requesting listing fees and requesting shelf fees. Koç et al. (2009) also indicates that Turkish retailing which is in transition, already experiencing concentration and anti-competitive practices. Their research focusing on the supply chains reveals that under the names of listing fee, shelf fees, advertising and announcing fees or through discount pressures unconditional product restorations and private labelling, major retailers exercise anti-competitive practices over suppliers.

6.3.3.3. Disappearance of Small Scale Traditional Food Retailers (Bakkals) and Increasing Inequalities in Accessibility

The retail modernisation process and their increasing market share badly affected the small scale traditional food retailers and in most of the cases cause to their disappearance. The period 1991-1998 has witnessed to the construction of a hundred supermarkets equal to the size of five thousand grocery stores, ‘bakkals’. It is claimed that from 1990’s onwards more than 10 thousand independent small food retailers forced to close down due to economic reasons. From 1996 to 1998 the number of ‘bakkals’ decreased from 164 thousand to 148 thousand. It is obvious that small scale retailers cannot compete with the capital intensive large scale retailers who are benefiting from legal gaps and who became much more powerful with the government encouragements. Under the pressure of organised food retailers, manufacturers have to drop down their prices but for small scale food retailers they do the reverse to compensate their losses. As a result ‘bakkals’ have to sell products relatively higher prices and the media propaganda utilises it against traditional retailers. As a result these small size stores badly affected from the intensification of competition both between retailers and between retailers and manufacturers.

The construction of supermarkets and hypermarkets at and around the city centre; and the absence of any control mechanism regulating both the number of large scale supermarkets and their working hours intensify the negativities affecting traditional food retailers. Despite the existence of the Law concerning the Protection of Competitiveness, in practice the dominance of organised retailers increase and causes to decreases in the market share of small retailers to a considerable degree. This provides the ground for their closure and leads to increases in unemployment rates. Similar to the argument defending the absorption of vacant industrial workers through service sectors, the unemployed artisans thought to be utilised within the newly establishing organised retail sector. But considering the number of job losses it is too optimistic to expect this from modern retail sector.

Apart from external factors, another important factor raised from the sectorial dynamics of the traditional retailers. Small scale food retailers could not respond to rapid social and economic changes occurred after the 1980's. Facing the changing life standards and life styles, diversifications in demands and needs, changing consumption patterns; traditional retail perplexed and could not produce any counter strategy. On one side, 'bakkals', providing majorly the basic daily needs to the consumers fail to accommodate social and mass construction of needs and desires. On the other side organised food retailers having the financial and spatial flexibility found it easy to adapt itself to the new consumption patterns which had given rise to their development. As a result, as Özcan (2000) identified some thirteen years ago, the consolidation and concentration trends that had been seen in advanced European economies started to be seen in Turkish retailing as well. Today, the author believes that the situation aggravated with compare to the beginning of the new millennium and consequence of retail transformation process in Turkey is analysed in the coming chapter.

6.4. Conclusions

According to the historical materialist approach, material achievements are realised in a cumulative way. In other words, developments that are observed at one point in time are the results of the developments that have been realised in the past. Having this in mind, the research on the political economic development of Turkey was indispensable to contextualise both contemporary observed events and thus to conduct the research project itself.

Concentration on the neo-liberal era, production and implications of neo-liberal policies in Turkish context illustrates how the capitalist system penetrates and transforms a national

economically, socially and spatially. As tried to be illustrates Turkish case carries both similarities and differenced with regard to global neo-liberal trends, which also take different shapes with different contexts. Here, except the detailed analysis of the Turkish case, it is not possible to talk about all the differentiations. But the author thinks that t is possible to talk about communalities. The neo-liberal project initiated with the advanced capitalistic interests that sought to overcome crisis situations of the 1970's the project developed through the capitalistic motivation for profit maximisation through accessibility to new sources of raw materials and consumer markets. This new form of imperialism, as Harvey (2003) formulates, necessitated all kinds of structural transformations covering social, cultural, economic and spatial aspects of localities. Within this context, Turkey represents just a differentiating case among all others.

Another aim of this chapter was to illustrate how political economic dynamics, guided by the very basic needs of the capitalist system, affect the retail structure of Turkey and cause its transformation. Similar to neo-liberal policies, examples provided from other international contexts illustrates that the retail transformation process is not unique to Turkey and can be observed in many different countries. Concentration on the case of Turkey enabled the author to follow the traces of capitalistic motivations, crises tendencies and negative consequences of retail change. It than became possible to conclude that Turkish food retail sector concretised and organised in order to be more efficient. This modernisation process also offered food retailers to find opportunities to maximise profits.

In the past chapters, the monopolisation tendency of the capitalist firms is mentioned to be the most problematic side of the capitalist development process both due to its superficial benefits and social, economic and spatial negative consequences. As expected, the case of Turkey also provides some early signs of retail concentration and monopolisation when the quantity of stores, number of sales and market shares are taken into account. May be because the tendency is very new in Turkey, very little had been written about social-economic and spatial negativities of the retail transformation and monopolisation process. To this end, the author believes that the present research will provide the basis for conducting researches on these veins.

Considering the retail transformation process, the author believes that the Turkish case differs from developed countries' experiences majorly in terms of its different temporal situation. Due to this temporal difference, Turkish case differs economically, socially, culturally and spatially from other cases. Turkey, to experience same consequences has to wait some time so that the transformation process advances more, with the elimination of

more counter mechanisms, from legal frameworks to social bonds that hinder the occurrence of food deserts.

From this perspective, considering the inequalities caused by the transformation of the retail sector (especially of the food retailing), it is possible to claim that Turkey has not got yet food deserts and this have no ben realised yet due to a number of reasons. First of all, as the Turkish case is in transition, the food retail structure of cities is still dominated by traditional retailers who are evenly distributed along the space and accessible to consumers both geographically and economically. In the case of under presence of organised food retailers, a number of subsidiary establishments (convenience stores, independent markets, street food bazaars, food peddlers, etc.) are always ready to serve to local residents' needs. Secondly, even if some consumers fell into the trap of disadvantaged provision they benefit from indirect support mechanisms. Presence of relatives in the neighbourhood, friendship supports, protection of large families, and citizenship 'hemşerilik'[48] ties can be mentiones as the components of this support mechanisms. Here, following Karaman (2013), one needs to add the alm "sadaka" factor that the AKP government and other religious groups provide to support poor conservative Sunni Muslim families against the hardships of life under capitalism.

The absence of food deserts in the Turkish context should not lead one to think of a positive future of retail transformation. As the capitalist system evolves, it evolves through the negative side with increasing inequalities and injustices. As exposed through different resources (Özcan, 1997 and 2000; Pamuk, 2008; and TUİK, 2010), the gap between rich and poor in Turkey increases and the gap is sensed more and more through consumption practices. Despite the inexistence of severe and explicit spatial negativities related to food retailing, the Turkish case illustrates important number of evidence about disadvantaged consumers.

This brings the discussion to the last point of the conclusion. In spite of all negative points, the author believes that the case of Turkey, being a case in transition, offers an advantageous point with respect to developed country cases. Before the retail system transforms completely, before sectorial consolidation happens and before monopolisation attempts finalise, there exist some time to develop some counter measures to stop or even reverse the trend and use it for the benefit of least advantageous populations. This thought is

[48] Those people migrated from the same city or same village establish community bounds to support its members. This is a long lasting relationship between urban residents that started from the early days of the 'gecekondu' development.

very similar to Marx's positive ideas about capitalism as he also believed to benefit from increasing efficiency and productivity for much fairer distribution of wealth among the society. Hoping to wait less than Marx, the author prefer to leave the discussion for now and move to the analysis of the Ankara case and its food desert structure to be able to produce relevant policies at the conclusion part of the thesis.

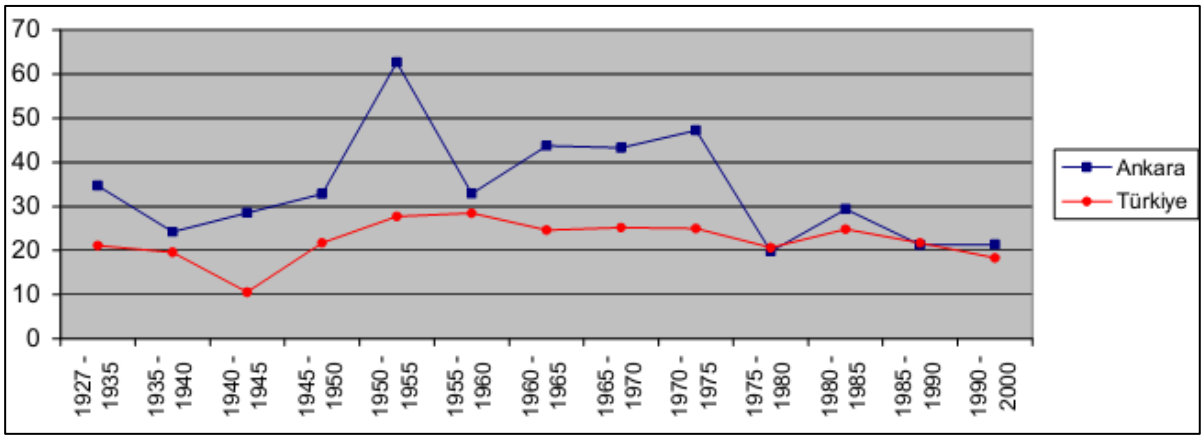
7. THE CASE OF ANKARA AND ANKARA'S RETAIL STRUCTURE

As stated on the Marxist methodology part, the present situation constitutes the departure point of the research. The section is divided into two parts, one exploring the urban dynamics of Ankara and other analysing city's retail structure. In the first section, the contemporary structure of the case of Ankara is analysed through various dimensions. The city's demographic structure, its economics, the geographical conditions together with housing, the urban transportation system and finally the urban politics are selected as key dimensions that shed light on the formation of mechanisms affecting the urbanisation pattern in Ankara. In the second section of this chapter, the retail structure of Ankara is analysed in detail. Ankara, being a city both preserving its traditional food retailers and experiencing a rapid growth of modern ones, constitutes a very interesting case and this part of the research aims to exhibit this peculiarity.

7.1. The General Dynamics Affecting Ankara's Structure:

7.1.1. Demography

Ankara is considered among one of the most population-receiving cities in Turkey. Since the establishment of the Republic in 1923 Ankara's population growth rate stayed always above average national growth rates (Graphic 21). City's population which increased 6 times between 1927 and 1975, increased at a more stable rate after the 1980's. Today, Ankara with a total population of around 4,8 million, is the second largest city in Turkey. It's urban population comprises 90% of its population and Ankara's urban population density is a bit more than 1,551person/km^2. These numbers make the city the 6^{th} densest city in Turkey (TUIK, 2011). From 1990 to the year 2000, Ankara's average household size decreased from 4,47 to 3,94. Although the decrease is quite significant, when compared with other larger cities of Turkey, Ankara still has the largest household size (İstanbul: 3,93 and İzmir: 3,65).



Graphic 21: Rates of population increase, Ankara and Turkey, 1927 – 2000, in percentages per year (Source: TUIK, 2011)

7.1.2. Economics

In terms of the economic character of the city, the service sector illustrates a significant percentage among other economic activities. According to the results of the General Population Census for the year 2000, Ankara is characterised as a 'service city' with a 70% share in the overall employed population in the service sector. When other sectors are compared with the service sector employment, employed population in agriculture and industry is very low (respectively 13% and 16%). With its emphasis on services Ankara is also distinguished from İstanbul and İzmir. These cities only employ 60% and 50% of their total employed population in service sectors[49] (ABB, 2006). A more detailed look to the service sector employment in Ankara reveals that some important part of the service sector employment is related to governmental functions. While this large share of government employment exposes another point distinguishing Ankara from other large cities, it also provides a stable source of income that increase cities resistance against economic crises and market fluctuations. Another point reflecting the importance of state employment in Ankara is the stable rate of unemployment which varies between 10 to 15 per cent in the last two decades. But unexpectedly, with 14,2% Ankara has the highest unemployment rate among the three largest cities. Although a clear explanation for this fact needs much detailed investigation at first sight it can be said that the entry and exit conditions to the governmental duties is much restricted than market mechanism and as a result it is producing a stable but high rate of unemployment for the city of Ankara.

An investigation of the gross domestic product per capita among Turkish cities reveals that despite its position above Turkey's average (USD 2150), Ankara can only find a position at

[49] These results are also confirmed with a more recent survey, based on Household Labour Survey of the year 2005. In this survey, Ankara has 69% in services, 23,5% in the industry and 7,3 in Agriculture whereas Istanbul has 56%, 43%, 1% and İzmir has 48%, 34%, 18% (TUIK, 2005)

9th place (with USD 2750) and comes well after İstanbul, İzmir and some other industrial towns. As a city defined primarily by its service sector, Ankara's contribution to the GDP stays limited. But one must mention about the recent investments on research and technology development sites that are located within university campuses and cooperating with them. This recent development inevitably increases city's prosperity and contribution to the national economy in the future.

Map 1: Turkey and Location of Ankara

ANKARA - Key Numbers	1980	1985	1990	2000	TR 2000	RANK
Population density	93	108	126	158	88	9
Average household size	4.9	4.6	4.2	3.8	4.5	5
Age dependency ratio	65	58	51	44	55	*
Rate of university graduates (25 +)	9.3	9.8	11.9	16.5	7.8	1
Ratio of population by literacy (%)	80	87	89	93	87	1
GDP per capita (current prices - US Dollars)	*	3600	4000	2700	2150	7
Unemployment rate (12 +)	5.8	7.6	7.4	11	8.9	*
Bank deposits per capita (US Dollars)	*	*	2200	5000	1500	1
Bank credits per capita (US Dollars)	*	*	1800	2000	1000	3
Labour force participation rate (12+)	51	48	48	48	55.2	7
Number of private automobile (per 10000 people)	430	450	680	2000	896	1

Table 7: Key numbers related to Ankara, 1980 – 2000
(Source: TUIK, 2003)

Map 2: Map of metropolitan Ankara with major roads and inhabited locations (Source: Retrieved from Google Maps, in August 2013)

7.1.3. Geography and Housing

In terms of geography Ankara is surrounded by mountain ranges from north, south and east. As a result, westbound roads towards İstanbul and Eskişehir do not only manifest themselves as main transportation channels but also exist as the principal corridors affecting the urban development towards the west. Backed with the light railway developments and government encouragements for construction (publicly financed land development, land and infrastructure provision, etc.) first Batıkent (at the North-Western part), and then Çayyolu (at the South-Western part) areas developed as primarily housing districts[50]. Housing development in other parts of the Ankara partially realised through the development of formal housing sector and partially guided with the production of informal settlements that are called 'gecekondu'. While formal housing stock is utilised by the families of registered governmental officers and wealthier service sector workers; new comers to the city and informal service sector workers had no other chance to live in illegal 'gecekondu' areas. Legitimation of

[50] Despite the initiation of the LRT project and despite the construction of the tunnels and LRT stops, due to financial and political reasons the train could never become functional between the city and Çayyolu district.

‘gecekondus’ through amnesty laws and expansion of formal housing development with the effort of individual contractors expanded the urban macroform until its geographical limits. Furthermore, this development to the limits causes leaps outside the surrounding heights at several points (Pursaklar at the North and Gölbaşı at the South).

Parallel to central and local governments’ continuous efforts for obtaining rents from the production of urban areas, built-up lands are considered as potential project areas for urban regeneration. Backed with the necessary legal arrangements realised under the disguise of disaster risk[51], several places around Ankara became subject to such transformations either for speculative purposes or for political concerns. Between 2005 and 2007, the Greater Municipality of Ankara identified 45 urban regeneration areas in Ankara and some of them are located in urbanised areas whereas some others are thought to be realised in rural areas surrounding metropolitan Ankara that are having the potential for future developments. Most of the lands that are subject to urban transformation carry, at one side, the risk of dislocating ‘gecekondu’ settlers from their places and pushing them away from main urban areas. On the other side, such projects offer immense economic advantages to land owners to obtain profits from these developments. One thing that did not change in the course of time is that still very few people benefit from all these rent creating activities while majority suffers in disadvantaged living conditions.

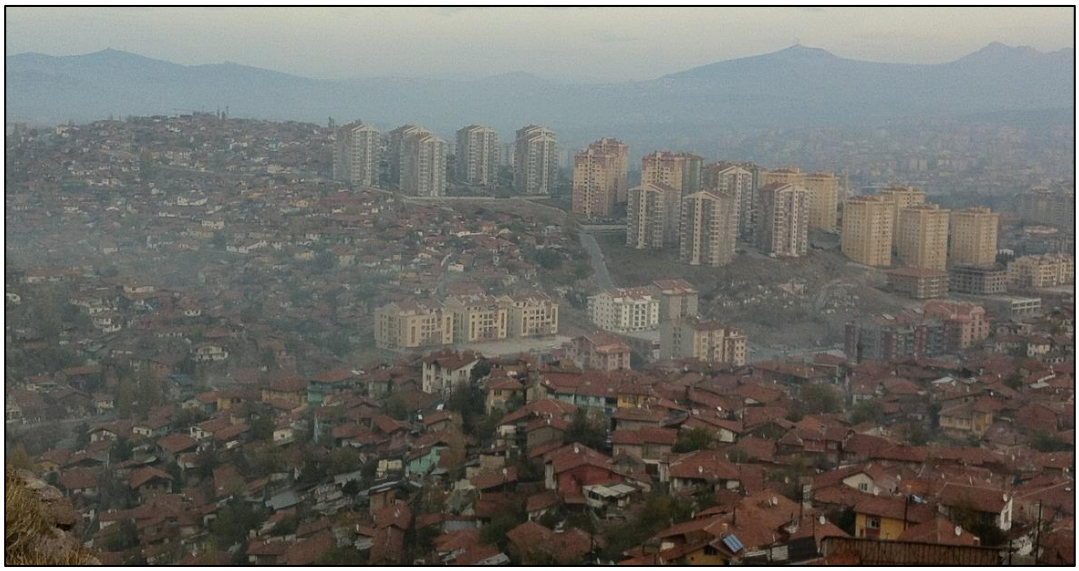


Figure 29: ‘Gecekondu’ settlements and apartment blocks belonging to recently realised urban regeneration projects, a view from the Citadel of Ankara towards Mamak District
(Source: personal archive)

[51] The law concerning urban regeneration projects is enacted on 2012 and officially called “Law Concerning the Transformation of Areas Under Disaster Risk”, and numbered 6306.

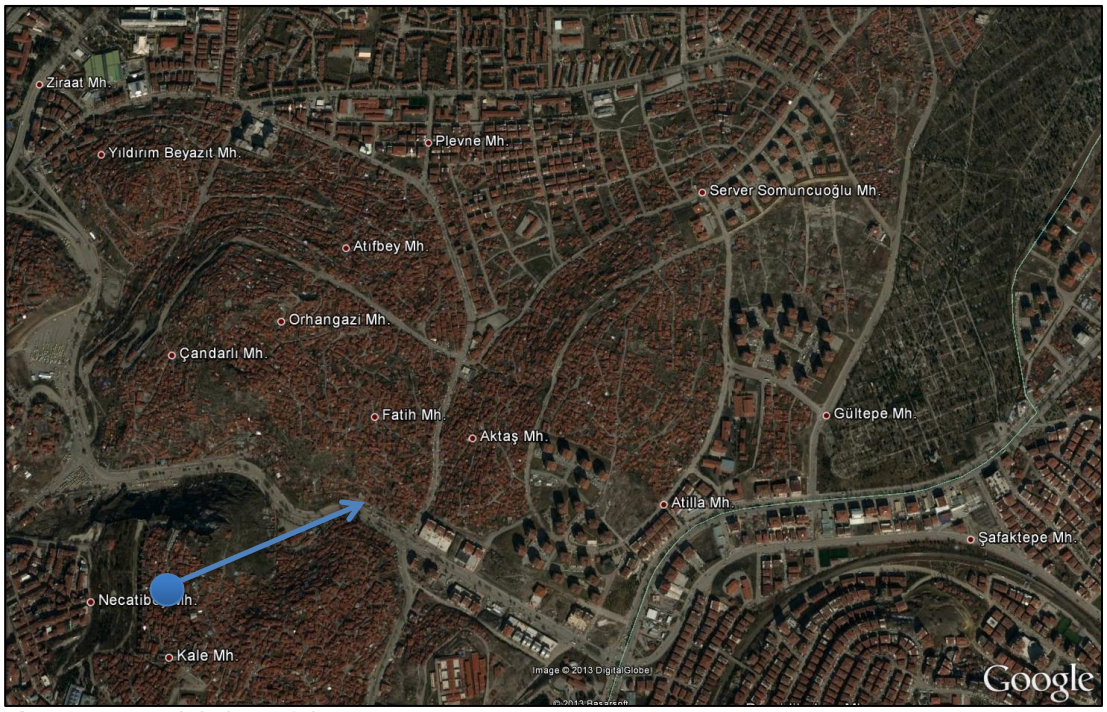
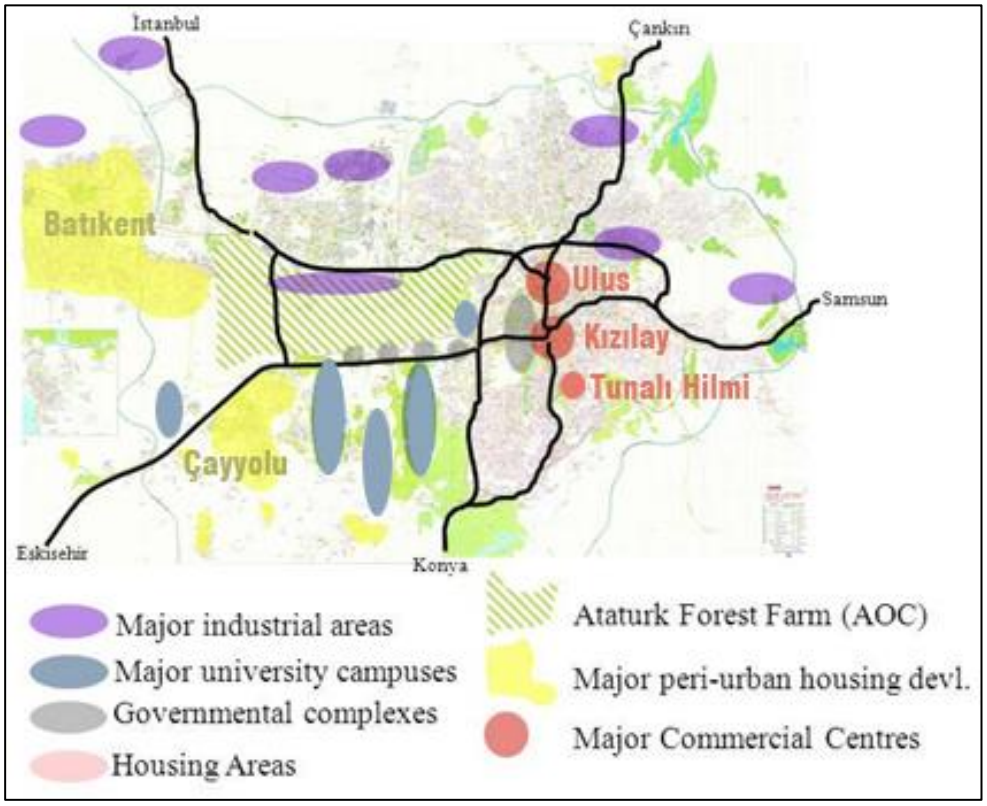


Figure 30: Aerial view of the same area
(Source: Google Earth, 2013)

7.1.4. Centres

The city of Ankara has two organically developed city centres. Ulus district which is located just below the castle is the traditional centre of Ankara. After the creation of the republic, establishment of the governmental buildings and foreign embassies together with the realisation of housing development in the southern parts of the city lead to the creation of the Kızılay city centre. Population increases together with modernisation in retailing caused the further developments in the city centre and a transfer of major central functions from Ulus to Kızılay. The movement of central functions continued with the 1970's when some functions from Kızılay started to move further south, towards Tunalı Hilmi district. With the 1990's, backed with the new housing and infrastructure developments, together with increased inefficiency of the traditional centres, major CBD functions decentralised and spread around the city to those areas where upper and upper-middle class started to locate (Levent, 2007 and Gökçe, 2008). With the start of the new millennium, the competition between İstanbul and Ankara intensified and a new movement trend affected Ankara's city centres. Both as a result of market pressures and with the help of governments' policies favouring İstanbul, some major functions, including bank headquarters and some government offices, moved from Ankara to İstanbul. The empowerment of Ankara in the face of globalisation and intensified competition still continuing but combined efforts of universities and hi-tech industries seems to decrease the intensity of this trend.

As it is the main subject of the thesis, the author would like to mention about the changing retail structure of Ankara. As mentioned previously retailing in Ankara has been transforming since the beginning of 1970's, from traditional providers to modern retailers. This micro-scale trend is followed with the introduction of shopping malls in the retail typology of Ankara. With this new trend the importance of retail functions within the general structure of Ulus, Kızılay and Tunalı Hilmi centres decreased to a considerable degree. First shopping mall of Ankara opened in 1989 at the Çankaya district and followed by another shopping centre opened in 1991 near Tunalı Hilmi area. Today Ankara has 32 shopping centres and 2 on-going shopping centre constructions.



Map 3: Major land uses in Ankara (Source: Personal drawing based the Ankara map of General Command of Mapping)

7.1.5. Transportation

Ankara's transportation system is mainly based on private car ownership. According to statistics with the rate of about 1600/10.000 person, the rate of car ownership in Ankara is not only higher than Turkey's average but also well above the ones of İstanbul and İzmir. This rate illustrates both the income level of inhabitants[52] and the low share of public transportation in daily commuting trips. In the year 2000, private car based trips cover 23% of all daily vehicle based trips in Ankara (ABB, 2000). The 77% of trips are based on public

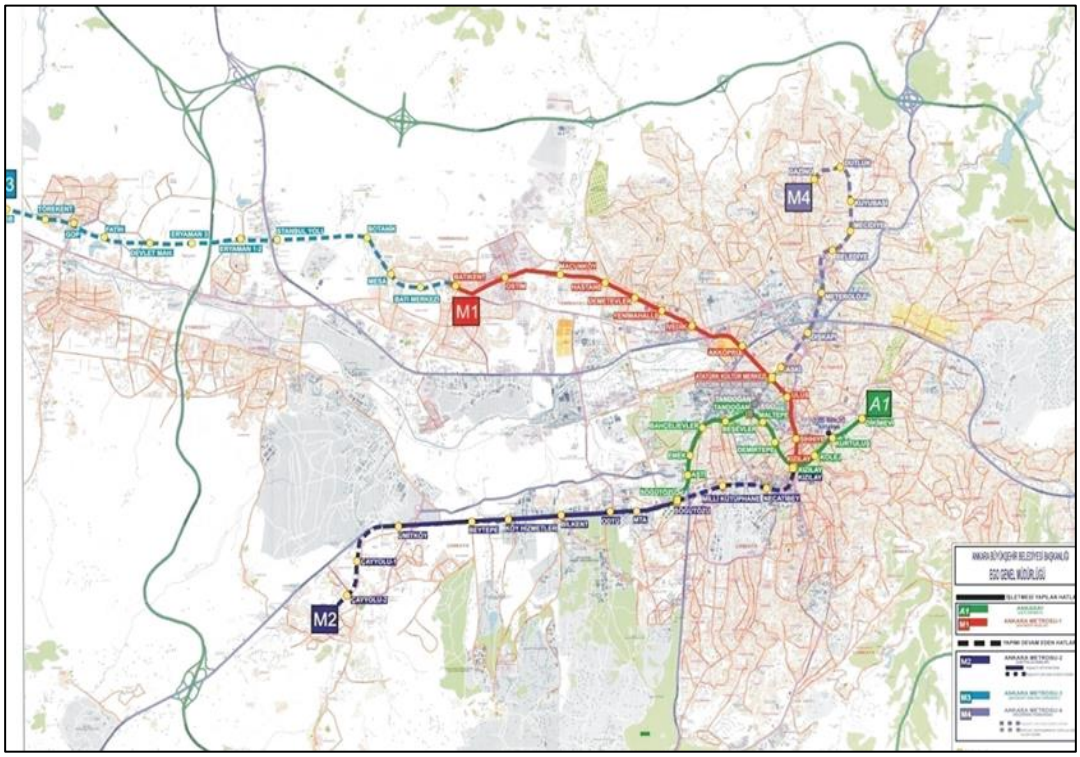
[52] As a general inference one may argue that private car ownership is highly correlated with income level. For the case of Ankara, the author argues that high car ownership rates indicate to the stability of households' income and availability of credit opportunities.

transportation and this can be divided into four components. The first and most important part of the public transportation in Ankara is municipal and private buses (28%). This share is followed by informally initiated mini-bus (dolmuş) sector which covers 23% of all trips. Then comes the most interesting part of Ankara's transportation system which is the 'service bus system' which can be seen as groups of vehicle operated by a business or government offices to convey its employees to or from work. Parallel to the importance of the service sector in the economy of Ankara, the service bus system covers 20% of all public transportation trips and 16% when all modes are considered. Finally, 13,5% of daily vehicle-based trips are realised on the railway network of Ankara. The network is composed of three vehicle types; Ankaray (LRT), Metro (underground), and long range banlieu train. The rail network of Ankara has been waiting for the realisation of extension projects since more than two decades. Recently the protocol signed between the Greater Municipality of Ankara and central government (Ministry of Environment and Urbanism) the ministry took responsibility to terminate all unfinished underground metro projects in two years' time (the dark blue line on the south and blue dotted line towards north).

Established power relations and high rents obtained at several transportation nodes are the major factors inhibiting the realisation of public transportation projects and the betterment of existing transportation modes other than private car usage. Private bus and mini bus drivers that are functioning at some arteries, establish lobbies against public transport interventions so as to protect their earnings and (political and economic) monopolies they established. Their resistance not only realises within the framework of democratic participation but also covers violent protests against public initiatives to interrupt investments like LRT development.

Transportation modes	number of passangers	share within public transportation	share in all modes
bus	1315000	39,37	30,23
mini bus	990000	29,64	22,76
private and mini buses	685000	20,51	15,75
banlieu train	100000	2,99	2,30
Metro	175000	5,24	4,02
Ankaray (LRT)	175000	5,24	4,02
total public transportation	**3340000**	**100,00**	**76,78**
private car	750000	74,26	17,24
taxis	260000	25,74	5,98
total private transportation	1010000	100,00	23,22
TOTAL	**4350000**		**100,00**

Table 8: Passenger shares and utilisation percentages of major transportation systems in Ankara, 2000 (Source: ABB, 2006)



Map 4: Major intra-city rail lines in Ankara
(Source: ABB, 2006)

7.1.6. Politics

With the rise of neoliberal policies and its inclusion in every aspect of our life, political conflicts around the local governance are resolved for the benefit of right wing liberal parties. Since the beginning of 1980's, these right wing parties have favoured an "un-controlled" market logic[53] and neglected negative social and economic consequences of the capitalist system. As a result of this, the economy of Turkish cities together with their housing, trade and transportation patterns have evolved in a way that the difference between social classes aggravated. And with no exception, the city of Ankara, being the second largest city of the country, illustrates this trend.

Like other large cities in Turkey it is not possible to separate local politics from national political and economic dynamics. Structural changes of early 1980's changed the way how central state approaches the local governments. With the enaction of the Construction Law (No: 3194) and with the legal arrangements targeting a restructuration in the financial flows a

[53] By identifying a significant type of market logic (also called as "wild capitalism" or "untamed capitalism" by different authors) the author aims to underlines the fact that each economic system, including capitalism, has negative and positive aspects. After seeing negative consequences of the uncontrolled market system capitalist political economy was intended to be balanced with the state interventions. Both the spatial and economic planning attempts aimed to realise this balance. And here it is claimed that Turkey, being a case in transition, was not able to develop adequate control mechanisms. As a result capitalist classes that are successful in business enjoy from "unlimited" benefits whereas the rest of the population suffers from "unlimited" negativities.

'decentralisation process' started. Local governments, especially the greater municipalities, gain significant financial and administrative independence. They are considered as independent institutions that have independent budgets and that are no longer responsible for their actions (like plan making) to central governments[54]. Furthermore, they become able to borrow money from banks with the guarantorship of the central government. Despite the decentralisation attempt which is legitimated through the arguments of increasing efficiency and financial control the decentralisation project failed. As a result of mostly populist and ineffective policies, in 2009, local governments owe more than 14billion TL (about 5billion GBP) to the State Treasury in relation with credit debts. With a debt of 4,5billion TL (1,6billion GBP) Greater Municipality of Ankara comes at the first place among all indebted municipalities (Taraf Gazetesi, 2013).

After the coup d'état of 1980, the neoliberal Motherland Party (ANAP) obtained the majority at the National Assembly. ANAP became eligible to rule the central government and its candidate Mehmet Altınsoy was elected as the major of Ankara. During his service to the city, between 1984 and 1989, with the material help of central government and personal encouragement of Prime Minister Turgut Özal, Altınsoy was able to realise major infrastructural projects like the initiation of natural gas pipeline and revision of the water network. Although the motherland party won the general elections of 1987 and although Turgut Özal kept his presidency, during the local elections of 1989 the party lost in three major cities (in Ankara, İstanbul and İzmir). Murat Karayalçın, the candidate of the left wing Social Democratic Populist Party (SHP) became the mayor of Ankara. Before leaving this position in 1993, Karayalçın gave priority on organisational issues and realisation of housing projects through the cooperatives created by low and middle income households. Despite limited money transfer from central government Karayalçın concretised organisational capacities through Batıkent district which was mentioned previously as one of the major suburbs of Ankara and initiated the Dikmen Valley Project as a model for 'gecekondu' regeneration. Starting from early 1990's, apart from being part in a coalition government, left wing parties could not obtain a role in the formation of national governments. During that time, İ. Melih Gökçek, a former ANAP member and Mayor of Keçiören district in Ankara was elected as the president of the greater municipality of Ankara. But this election was realised under candidature of a conservative right wing party called Welfare Party (Refah Partisi). After the closure of Welfare Party in 1998 because of violations against the constitution, Gökçek entered to local elections as candidate of Virtue Party (Saadet Partisi), as a

[54] Once the urban plans are prepared within the municipal body it is open to inquiry for a month to receive objections if there exists any. If there are some the municipality may decide to change the plan decision or objecting part can bring the case to the court claiming that there is a purposeful injustice and loss of benefit.

continuation of Welfare Party. For the first time in the history of Ankara, he was re-elected as mayor. With the separation of Justice and Development Party (AKP) from Virtue Party, Gökçek joined to AKP, elected third time in 2004 and fourth time in 2009.

Figure 31: Billboard announcements illustrating the connection between local and central government or more precisely between Greater Municipality of Ankara and Prime Minister Erdoğan[55].
(Source: personal archive)

Under 15 years of Gökçek's mayorship, great amount of money deployed to the city. In contrast to examples from other cities which contribute to increases in living standards of inhabitants, the implementations of the Greater Municipality of Ankara create more problems than solutions and decrease the quality of life in the city. In addition to the extension of its debt, Ankara is still suffering from many problems including the provision of drinkable water, pedestrian vehicle conflicts, loss of public spaces, functional segregations, social segregation through urban transformation, increasing costs of municipal services and neglect of public services like public transportation. Incremental plans and project based local approaches together with profit based intentions of different actors (central government, municipalities, developers, land owners, etc.) produce an urban environment where exchange value became the central motive of all urban transactions and interventions. Very similar to the case of central government, the local government in Ankara is in continuous clash with major universities and several NGOs like the Union of Chambers of Turkish Engineers and Architects (TMMOB), Chamber of City Planners and Chamber of Architects.

[55] Announcement at the left: "Thank you our Prime Minister… Ankara is thankful to you for your support concerning our metros, exhibition areas and urban transformation projects… İ.Melih Gökçek, Mayor of Ankara, Greater Municipality of Ankara" (photo taken on February 2012 from a street billboard at Eskişehir Road).

Announcement at the right: "Double festival on 30th of August, With the participation of our Prime Minister Recep Tayyip Erdoğan; 14km long Çiftlik Boulevard and 19km long secondary road, 2 viaducts, 17 under ground and over ground passages are opening, Greater Municipality of Ankara", pictures: Recep Tayyip Erdoğan and Melih Gökçek, (photo taken August 2013 from a street billboard at Bahçelievler).

Today Ankara's metropolitan area is full of already completed projects (i.e. underground road tunnels, junctions, shopping malls and housing projects) that were brought into court and subject to demolition. In some other cases local governments bypasses the control of legal bodies by using their connections with the central government. The North Ankara Entrance Urban Transformation Project Law (2004, Law No: 5104), and ordinance on the 'Transfer of The Projects Concerning the Completion of the Urban Rail Systems, Undergrounds and Related Facilities to the Ministry of Transportation' (2010, Ordinance No: 1115) are some of the typical and very specific legal arrangements facilitating the actions of greater municipalities (which are mostly governed by the mayors from AKP) in the face of legal control. Very recently, one at the end of the year 2012 and another at the beginning of the year 2013, two laws concerning urban governance and urban transformations have been enacted by the AKP after the declaration of Prime Minister Erdoğan complaining about the limitations of the legal framework. Law Concerning Transformation of Areas under the Risk of Disaster (Law No: 6306) and Law Concerning Greater Municipalities (Law No: 6360) aim, at one side to decrease oppositions against the implementations of urban transformation and regeneration projects, on the other side to establish path leading to the establishment of a single governing body to realise to such projects in greater municipalities whose number reached to 29 after recent legal arrangements.

In addition to legislative openings, realisation of urban projects needs financial resources. Municipalities, under the guarantorship of central government, are borrowing money from national and mostly international financial resources. According to the declaration of the Undersecreteriat of Treasury (Hürriyet Economy, 2013), the debt of local governments cover 66% of all debts to the Treasury and Greater Municipality of Ankara (together with its sub-firms) have almost one fourth of this debt related to municipalities. Individually, Greater Municipality of Ankara comes just after the Greater Municipality of Kocaeli, in the list of most indebted cities of Turkey. Another aspect that can be revealed from the list is that municipalities belonging to the AKP are the most indebted ones being also the municipalities mostly supported by the government.

7.1.7. Urban Planning in Ankara

The planning process in Ankara reveals all the realities and contradictions mentioned in previous paragraphs.

In terms of planning Ankara occupies an important position being the first planned city of the republican era. Through its planning, Ankara's urban development tried be rationalised and

the process was thought to be utilised as an example for the development of other Anatolian cities[56]. Since that time Ankara always stayed as a planned city despite planning failures and successes; and Ankara is always considered as the most planned city of Turkey. Having many governmental functions inside, public lands in Ankara occupy large plots in the city. With the development of the city, this occupation, at one side, created a scarcity over lands carrying development potential. On the other side, faced with rapid and dense urbanisation pattern, public lands enable the city to have reserve lands either for development or for recreation. Availability of public lands also contributed to the development of squatter houses, called 'gecekondu,' as most of the time government bodies fail to control the land under their responsibility.

The planning process today reflects the combined characteristics of neo-liberal and AKP approach to the management of country and its human and material resources. Despite legislative necessities the plan making mechanism in Ankara does neither have any participation dimension, nor does it count technical and social necessities. Deregulation acts reduced all plan making processes to a procedural activities legitimising the decisions of capitalist and political interests over the city. This mixture of capitalistic and political interests either creates shortcuts to avoid legislative constraints, or with the support of politicised legal structure interprets the law according to their interests. Under this very complicated, deadlock situation Gezi Parkı Resistance in İstanbul and METU Road-pass Resistance in Ankara obtain different meanings and need to be considered as reactions against much more than mere planning implementations.

Figure 32: Examples from protests targeting government policies from Ankara and İstanbul[57]

[56] Despite this attempt ankara is also known as the first city of the republican period exemplifying the inability of urban plans to follow urbanisation dynamics.

[57] In sum, planning practices in Turkey, not only in Ankara, are far from guiding the urbanisation process. The "lasses-fare" situation turned out to be "everything-goes" situation in which the powerful rules. And, the power either comes from money or from political connections with AKP. Faced with this situation, although professional chambers (like Chamber of Turkish Architects and Chamber of City Planners), some universities (like Middle East

It is in such a structural situation that the retail development process takes place in Ankara. The following part explores the city's retail structure with demand and supply characteristics; and exposes transformations that happened in the course of time.

7.2. The Retail Structure of Ankara

Under this heading the retail structure of Ankara will be investigated. In the first part of the section the Ankara's retail structure is analysed through demand side, consumer characteristics. The second part deals with the retail structure dynamics and focuses on traditional and modern formats of food retailing.

7.2.1. The Demand Side: Consumer Characteristics

This section examines the aggregate level of demand and its variation over time and between social groups. The geographical pattern of social groups is considered in later sections. To analyse the demand side household consumption statistics obtained by TUİK were used on yearly basis. Although the data have been produced until the year 2009 for the sake of compatibility the author focused on the year of 2007 which is also the year when the data related to the distribution of organised food retailers in Ankara is obtained. Household consumption statistics do not provide any information at the district level and only offer very limited information at the city level. Because of this deficiency, for some information, statistics reflecting the national urban average are utilised. In other times, when data enables, regional and city level averages are also used.

The expenditure items are divided into 12 categories. To facilitate the analysis the focus is diverted on the main expenditures related to food and non-alcoholic beverages (F&nB), housing and rent, and transportation; which together covers around 60 to 70 per cent of all household expenditures depending on income quintiles. Apart from their high share among consumption items, interrelation between these items also enable researcher to derive some conclusions which are otherwise hidden between tables.

Technical University) and individual, unorganised efforts try to stand against, efforts rarely become successful counter to systematic looting of cities.

Distribution of household consumption expenditure by quintiles ordered by income, Urban - 2007						
		Quintiles ordered by income				
Main groups of consumption expenditures	Total	1. 20 %	2. 20 %	3. 20 %	4. 20 %	5. 20 %
Total consumption expenditure	100	100	100	100	100	100
Food and non-alcoholic beverages	21.6	29.9	25.7	23.3	21.3	17.1
Alcoholic beverages, cigaratte and tobacco	4.1	5.4	4.8	4.4	4.1	3.3
Clothing and footwear	5.7	4.2	4.5	5.6	5.6	6.8
Housing and rent	30.9	34.3	35.2	34.3	31.6	25.9
Furniture, houses appliances and home care services	5.7	4.9	5.4	5.4	5.8	6.1
Health	2.2	2.9	1.8	1.8	2.0	2.4
Transportation	11.3	5.8	8.2	9.7	11.7	14.5
Communication	4.6	3.9	4.4	4.5	4.7	4.9
Entertainment and culture	2.2	1.4	1.6	1.8	2.1	2.8
Educational services	2.8	0.7	1.3	1.4	2.1	5.0
Restaurant and hotels	4.9	3.2	4.0	4.3	4.7	6.1
Various good and services	4.2	3.3	3.1	3.5	4.4	5.1

Table 9: Distribution of household consumption expenditure by quintiles ordered by income, urban Turkey, 2007 (Source: TUIK, 2009)

Distribution of consumption expenditures by quintiles ordered by income, CENTRAL ANATOLIA - 2007-2009						
Types of expenditures	Quintiles ordered by income					
Main groups of consumption expenditures	Total	1.%20	2.%20	3.%20	4.%20	5.%20
Total consumption expenditure	100	100	100	100	100	100
Food and non-alcoholic beverages	26.1	34.5	31.2	28.9	25.8	20.3
Alcoholic beverages, cigaratte and tobacco	5	7.1	5.4	5	5	4.3
Clothing and footwear	6	4.8	4.3	4.7	5.9	7.7
Housing and rent	27	28.4	31.9	28.6	26.4	24.1
Furniture, houses appliances and home care services	6.2	5.6	5.6	6.7	6.4	6.1
Health	1.6	1.8	1.3	1.8	1.6	1.5
Transportation	13.6	8.2	8.7	11.9	13.7	18.2
Communication	4.4	4	4.2	3.8	4.6	4.9
Entertainment and culture	2.1	0.9	1.7	1.9	2.2	2.6
Educational services	1.5	0.8	0.7	1.3	1.5	2.1
Restaurant and hotels	3.1	2.5	2.9	2.7	3.3	3.4
Various good and services	3.4	1.6	2.1	2.8	3.6	4.8

Table 10: Distribution of household consumption expenditure by quintiles ordered by income, Central Anatolia, 2007 (Source: TUIK, 2009)

When Turkey's urban averages are considered the analysis of the consumption percentages with reference to income quintiles reveals that the relative importance of basic food consumption varies according to quintiles. For the richest quintile (1st 20%) the share of F&nB is around 30%. The share decreases to 23% for the middle quintile (3rd 20%) and then to 17% for the lowest quintile (5th 20%). The poorer the households, the greater become the shares to be given to other services and goods other than F&nB. Considering the expenditures for transportation shares increases from highest to lowest quintiles, first from 5,8% to 9,7% and then to 14,5%. Similar to food and non-alcoholic beverages, the share devoted to housing and rent decreases when one moves to lower quintiles (from 34% to

26%). In other words richer households spare relatively more of their incomes for housing than poorer ones.

At a more detailed geographical level focusing on Central Anatolia[58], although the percentages change, their relative importance and variations between income quintiles stay similar. F&nB covers 34% of richest quintiles' expenditures whereas it decreases to 29% for the middle quintile and then to 20% for the lowest quintile. Compared to national averages, for all income groups the share of F&nB in all expenditures increases at around 4% in Central Anatolia. The same increase is visible in the share of transportation expenditures which has an increase of 2% on highest income quintile and 4% on the lowest. These increases in food and non-alcoholic beverages and transportation are compensated partially through a decrease in the expenditures covering housing and rent. A decrease of 6% in highest and middle income quintiles is followed by a 2% decrease in lowest quintile. Decreases in educational services and some personal services, like expenditures for restaurants and hotels, also contribute to shifts in other expenditures when lowest quintile is considered. Again with compare to national averages it can be concluded that in Central Anatolia expenditures are more directed to basic items (like food, shelter and transportation) than other secondary items (like restaurants, entertainment and culture). But to reach much neater conclusions one needs to move through urban indicators focusing on the consumption patterns in three major cities.

Distribution of expenditure groups by Classification of Statistical Regional Units - Level 2 (Horizontal %) - 2007-2009									
	Total consumption expenditure								
	Total consumption expenditure	Food and non-alcoholic beverages	Alcoholic beverages, cigarette and tobacco	Clothing and footwear	Housing and rent	Furniture, houses appliances and home care services	Health	Transportation	Communication
İstanbul	100	18.9	3.4	4.4	33.8	5.2	2.4	11.9	4.2
İzmir	100	22	4.8	5.1	30.9	6	1.8	11.9	4.4
Ankara	**100**	**19.5**	**3.7**	**5**	**32.4**	**5.3**	**1.4**	**13.7**	**4.6**
Figures are based on new population projections.									

Table 11: Distribution of expenditure groups by classification of statistical regional units, level2, 2007 – 2009 (Source: TUİK, 2009)

In all three cities the share of F&nB decreases to a considerable degree when compared with the national and Central Anatolian regional averages. This can be understood as people in main metropolitan areas have other concerns than food expenditures that cause a decrease in its share. Additionally, this decrease in the share of food and non-alcoholic beverages is highly related with the increasing costs of housing and rent in large cities. With compare to İzmir and Ankara an average citizen of İstanbul pays less for the F&nB, but needs to pay

[58] The Central Anatolia Statistical Region is composed of cities of Konya, Karaman and Ankara. Although this can be seen as a more detailed geographical level than the national scale, cities considered together with Ankara do not share its social and economic characteristics. These statistics need to be taken as regional averages rather than proxies for the characteristics of Ankara.

more for housing and rents. In contrast, people living in İzmir have to share more for food and less for housing and rent. Between İstanbul and İzmir, Ankara represents a case in the middle. But keeping everything else equal, the total share of housing and rents, and food stuff is almost equal in all three cities and cover more than half of the all expenditures (52,5%). Regarding the share of transportation it is still possible to conclude that people living in major cities pay greater portions of their incomes for the transportation when compared with other important expenditure items, than those reflected in the national urban average. A special attention needs to be given to the case of Ankara which has significantly higher percentage on transportation expenditures (2% points higher) than other cities. With respect to central Anatolian average Ankara's average is only lower than the average of the lowest income quintile whereas much higher than all other quintiles. This can be seen as a sign indicating both the importance of transportation in household budgets and inadequacy of the transport scheme for the case of Ankara. Unfortunately this valuable source of information on cities cannot be expanded further with reference to income quintiles so as to differentiate consumption patterns of different social groups.

Expenditures on food and non-alcoholic beverages by years and by income quintiles, Urban

		Quintiles ordered by income				
Years	Total	1. 20 %	2. 20 %	3. 20 %	4. 20 %	5. 20 %
2 002	24	34.4	30.1	28.2	24.3	17.1
2 003	24.1	35.3	31.6	28.7	24.7	17.1
2 004	23.1	32.3	29.5	26.1	24.0	16.9
2 005	21.9	31.5	27.1	24.4	22.0	16.4
2 006	22.3	30.8	27.3	24.0	22.2	17.3
2 007	21.6	29.9	25.7	23.3	21.3	17.1
2 008	20.5	27.8	24.1	22.6	20.4	16.0
2 009	20.3	27.1	23.7	22.7	20.4	15.7

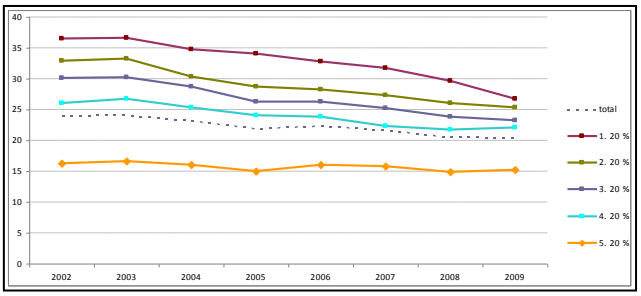


Table 12: Expenditures on food and non-alcoholic beverages by years and by income quintiles, urban, 2002- 2009
Graphic 22: Expenditures on food and non-alcoholic beverages in per cents by years and by income quintiles, urban, 2002-2009
(Sources: TUİK, 2009; graphics are prepared by the author)

Distribution of expenditure groups by Classification of Statistical Regional Units - Level 2 (Horizontal %)

	2003	2003-04	2003-05	2004-06	2005-07	2006-08(*)	2007-09(*)
Food and non-alcoholic beverages	21,2	21,7	20,4	21	20,3	19,9	19,5
Housing and rent	31,6	30,8	29,9	30	31,5	33,3	32,4
Transportation	11,5	10,4	11,2	12,4	12,4	12,9	13,7
others	35,8	37,2	38,6	36,6	35,7	34,1	34,6

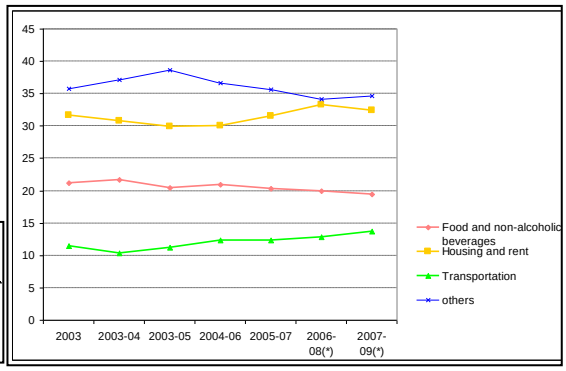


Table 13: Distribution of expenditures by classification of statistical units, level 2, 2003-2009
Graphic 23: Distribution of expenditures by classification of statistical units, level 2, 2003-2009
(Sources: TUIK, 2009; graphics are prepared by the author)

A historical look at the shares of food and non-alcoholic beverages reveals that in urban areas its percentage tend to decrease over time at different rates. Among the richest

quintiles the decrease reaches 7% whereas for the lowest one the share decreases only 2%. For the case of Ankara, considering all income quintiles, the realised decrease is only 2% in the expenditures covering F&nB. A similar declining trend can be found for all minor expenditure items. In contrast to this, during the same period of time, the share of housing and rent together with the share of transportation expenditures increase. A 1% increase in housing and rent is followed by more than 2% increase in the share of transportation. regarding the relationship between food stuff consumption and transportation, it is appears that citizens of Ankara are paying their gains obtained from F&nA expenditures to the transportation expenditures while the share of housing and rent expenditures is balanced with decreasing shares in other items of consumption.

7.2.2. The Supply Side: Traditional and Modern Food Retailers

7.2.2.1. Traditional Retail Types

As the case of Turkey, Ankara is a case in transition between tradition and modernity. The city still protects the basic structure of its traditional retailers. Considering the market share and number of stores, traditional retailers still dominate the retail market. But this situation has been changing in favour of modern retailers since the beginning of 1990's. today most of the neighbourhoods still have their traditional grocers (bakkals) although their number decreased considerably and street bazars are still serving to good amount of people in diverse areas. But traditional green-grocers and butchers are almost completely disappeared from the retail geography.

According to interviews[59] realised by the representatives of the professional chambers related to food retailing, the number of stores decreased dramatically in twenty year time. According to Ankara Chamber of Grocers (Ankara Bakkallar Odası) the membership number which was once around 60 to 70 thousand decreased to two and a half thousand in recent years and it continues to decrease rapidly. The situation is much worse for green-grocers and butchers which constitute other important parts of traditional food retailing. According to information obtained from related chambers it is revealed that the number of independent green-grocers decreased from 600 hundreds in 1990's to 270 in 2013 while number of independent butchers decreased from 500's in 1990's to 222 in 2013. Another interesting point revealed out of the informal conversations is that those once owned their own green-

[59] Mentioned interviews are realised in an informal way just to verify some preliminary observations and findings that contribute to the development of the research. These are mostly informal interviews and realised without the intention to be utilised as a part of formal research methodology. Established conversations were only documented as personal notes cannot be documented in the thesis.

grocery or butchery either decided to stay at home (mostly elderly) or joined to super market labour force and became wage labour. This situation indicates to an important social change whose consequences need to be investigated in other research opportunities.

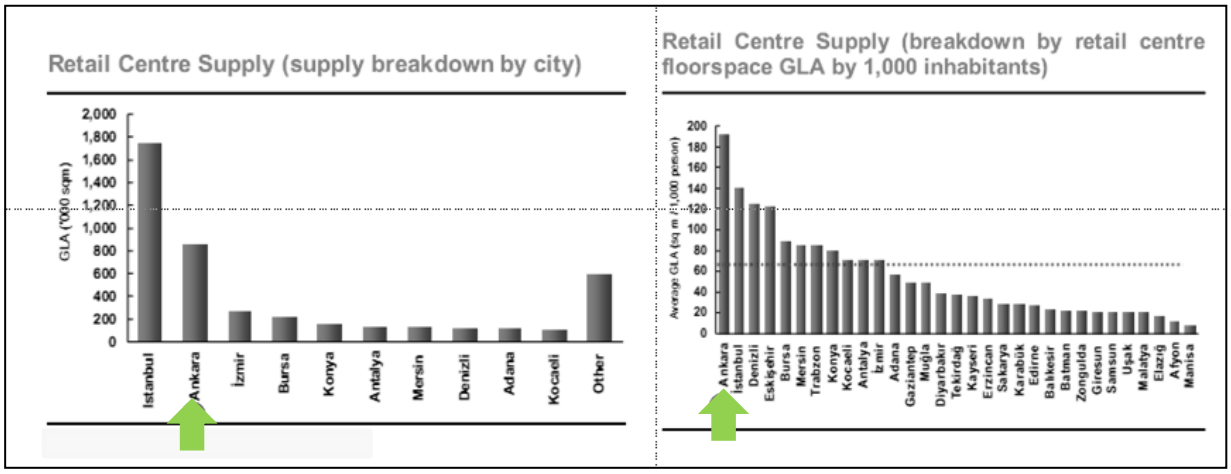
This transformation has spatial implications as well. Traditional retailers are assumed to homogeneously distribute between all settled areas independent of socio-economic characteristics of neighbourhoods. This assumption can be backed with three assumptions. Primarily, it can be assumed that traditional retailers functioned on the basis of primitive capitalistic motivations focusing on small gains that are just enough for their survival. This pre-capitalist logic pushed them out of competitive practices and monopolisation attempts, made locational considerations mostly insignificant for traditional retailers. Secondly, in relation with the (small) capital concentration, traditional retailers did not differ in terms of their product range, service quality and selling prices. They were selling just basic goods for daily consumption and this can be performed anywhere offering a small potential. Finally, the appearance and development of traditional retailers were experienced in a period in which consumer differentiation was not as significant as today. So based on relatively homogeneous consumer geography, there was no reason to compete with small variations especially when small retail capital is considered.

District name	number of grocers	number of bazaars	populations
Mamak	373	22	558223
number per 10.000 inhabitant	6,68	0,39	
Keçiören	574	39	831229
number per 10.000 inhabitant	6,91	0,47	
Altındağ	539	13	365915
number per 10.000 inhabitant	14,73	0,36	
Çankaya	551	24	813339
number per 10.000 inhabitant	6,77	0,30	
Yenimahalle	424	23	668586
number per 10.000 inhabitant	6,34	0,34	
Etimesgut	111	11	414739
number per 10.000 inhabitant	2,68	0,27	
Sincan	56	11	468129
number per 10.000 inhabitant	1,20	0,23	
total	**2628**	**143**	**4120160**
number per 10.000 inhabitant	**6,38**	**0,35**	

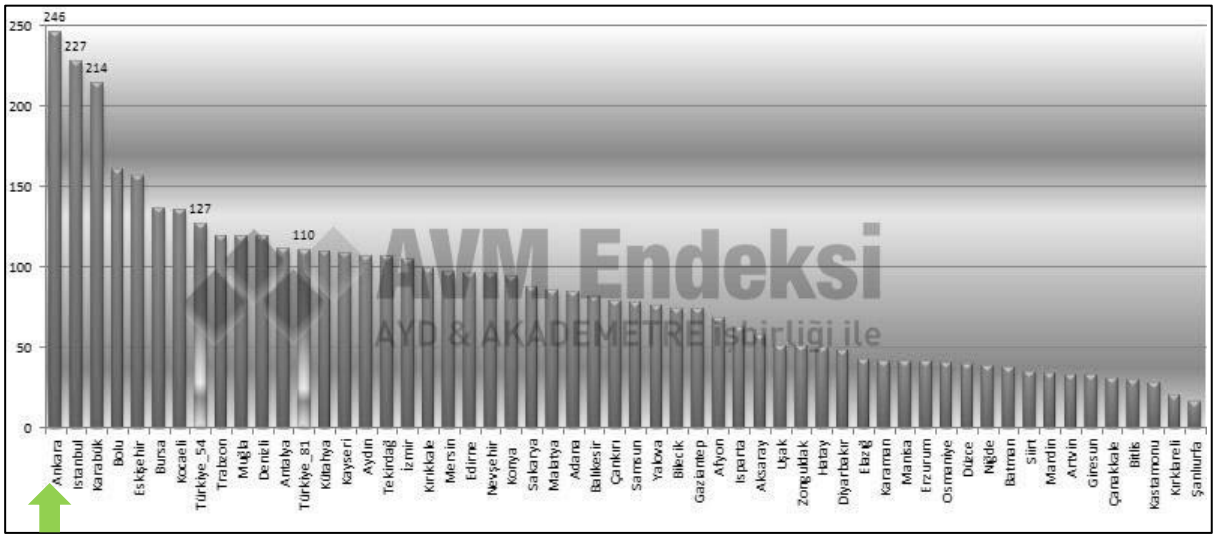
Table 14: Actual number of convenience stores (bakkals), street bazaars (pazars) and their number per 10.000 inhabitant, arranged according to Ankara's metropolitan districts, 2013
(Sources: Ankara Chamber of Grocers, 2013; District Municipalities' web pages; and personal contacts with municipality officers, 2013)

7.2.2.2. Modern Retail Types

As mentioned previously, Ankara is a city in transition protecting both modern and traditional retail formats. Despite the market dominance of its traditional retailers over modern ones, the development of shopping centres and modernisation in the retail development process established pressure on old retail styles. The development of modern retailing in Ankara is very significant. Today Ankara has 32 shopping centres with 2 under construction. In the Pamir & Soyluer (2008) report, with 800.000 m^2 gross leasable area (GLA)[60],Ankara comes just after İstanbul. But when populations are taken into account, the report reveals that Ankara obtains the first position. In terms of GLA/capita Ankara has a bit more than 190m^2 GLA per 1000 persona and occupies the first position well before İstanbul and İzmir which have 140m^2 and 122m^2 GLA per 1000 person respectively (Pamir & Soyluer, 2008). A more recent report comes from Association of Shopping Mall Investors (AYD, 2012). According to the report Ankara still occupies the first position in terms GLA per 1000 person, with an increase to 246 m2 GLA/1000 person.



Graphic 24: Retail centre supply by city and by floor space per 1000 inhabitants (green arrow: Ankara) (Source: Pamir & Soyluer, 2008)

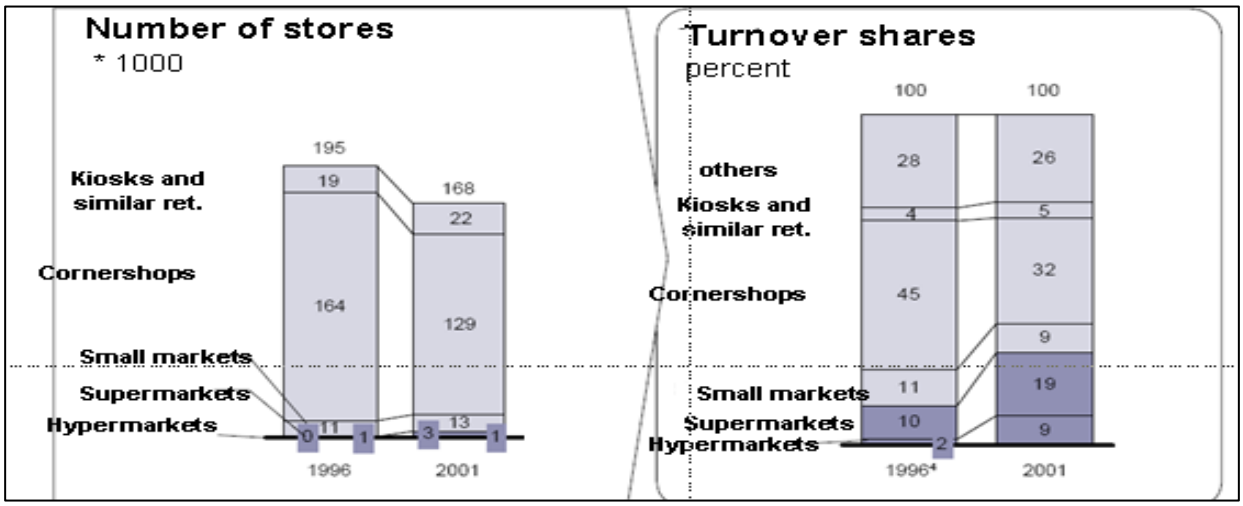


Graphic 25: Gross Leasable Area per 1000 inhabitants (green arrow: Ankara)

[60] GLA is considered as an indicator of retail potential.

(Source: AYD, 2012, http://www.ayd.org.tr/TR/DataBank.aspx)

According to the retail activity reports prepared by private companies (Mc Kinsey & Co.: 2003 and Waterhouse Coopers, 2007), the modern retail types in Turkey are increasing their importance to a considerable degree. Reports indicate that from mid-1990's to mid-2000's supermarkets and hypermarkets increased their numbers in the overall retail market first from 0,5% to 2,4% (Graphic 4a) and then to 3,1% (Table 8a). Considering the market share the increase is much significant. The 12% (Graphic 4b) share of mid 1990's increased to 33% (table 8b) in one decade. These findings justify the dominance of traditional food retail formats over modern ones when number of stores and market shares are considered. But more importantly, their historical look shed light on what will be seen in the future. As the trend indicates, the dominance of traditional food retailers will soon terminate and organised forms will start to rule the market. Another thing that can be derived from the reports' findings is that the existence of traditional formats proves the existence of significant market potential for organised food retailers and the competition among modern formats will intensified in the coming future.



Graphic 26: Change in number of food retail stores (a) and turnover shares (b), percentages, 1996-2001.
(Source: Mc Kinsey & Co., 2003)

	2001	2003	2005	% change
Hypermarkets	149	143	160	7.4
Supermarkets	3491	4099	5385	**54.3**
Discount retailers	1422	1823	2355	**65.6**
Kiosks and similar ret.	4476	4887	5962	33.2
Cornershops	141781	138820	135473	**-4.4**
Greengrocers, butchers	61052	63644	67259	10.2
Other grocery retailers	30938	31999	33259	7.5
Total	243309	245415	249853	2.7

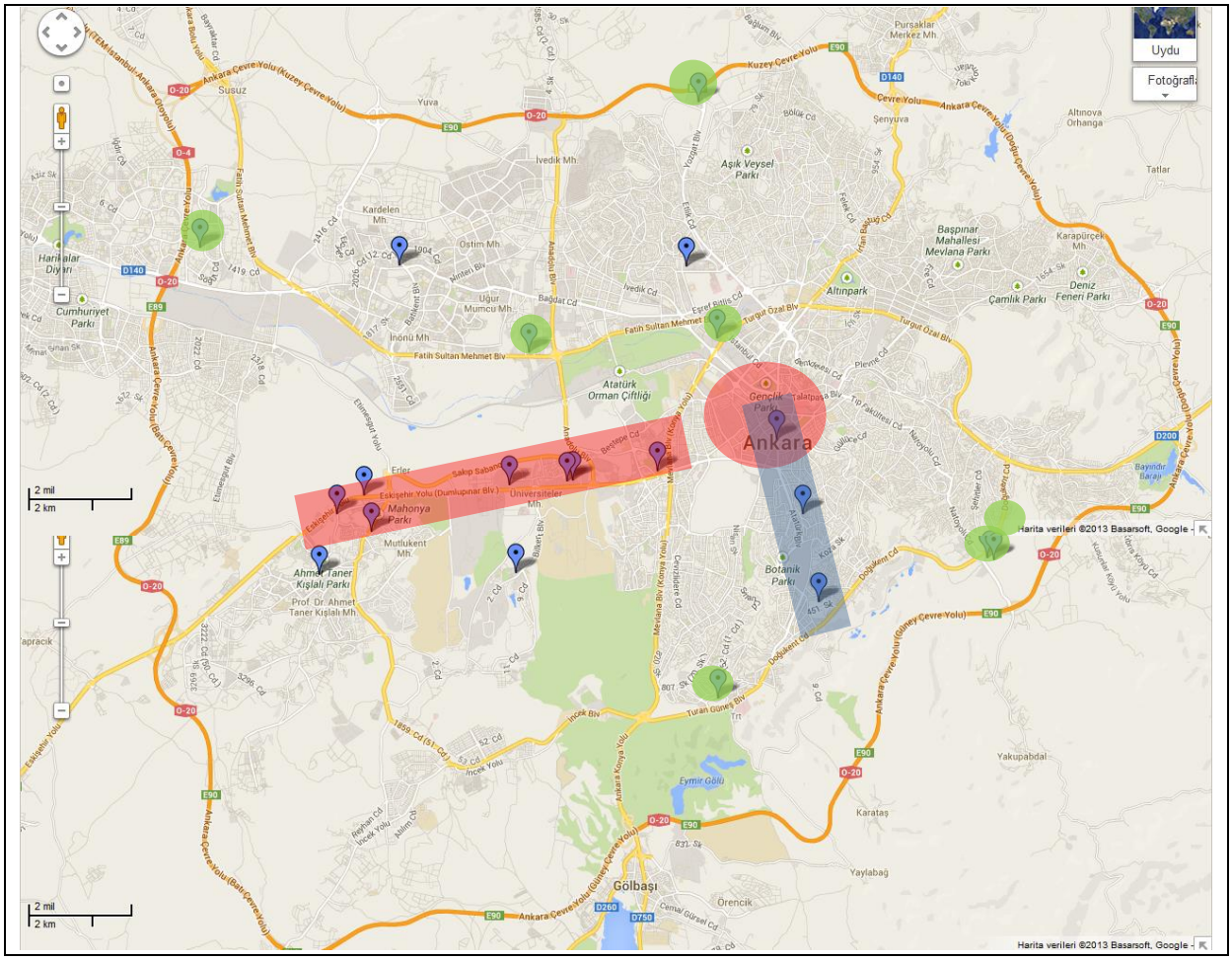
Source: Price Waterhouse Coopers (2007)

	2001	2003	2005	% change
Hypermarkets	2.9	3	3.2	0.3
Supermarkets	19.8	21.8	24.2	**4.4**
Discount retailers	3.7	4.4	5.6	**1.9**
Kiosks and similar ret.	1.1	1	1	-0.1
Cornershops	46.4	44.3	42	**-4.4**
Greengrocers, butchers	16.8	16.5	15.6	-1.2
Other grocery retailers	9.3	9	8.4	-0.9
Total	100	100	100	0.0

Table 15: Change in number of food retail stores (a) and turnover shares (b), percentages, 1996-2005.
(Source: Price Waterhouse Coopers, 2007)

The spatial approach of modern retail types differs considerably from the spatial approach of traditional retailers, especially when food retailing is considered. As hypothesised at the beginning of the thesis, the capitalistic motivation that modern retailers have when

accompanied with competitive market conditions force modern retail capital to consider all advantages and disadvantages more than traditional retailers have done and make space a very important attribute of retail development strategies. The selective locational practices of modern retailers intensified with increasing competition, with economic crises and with saturation risks. The development of shopping centres in Ankara illustrates this situation although their consumer range covers the whole city. According to Association of Shopping Centre Investors, although in the past no-one experience any anomaly related to spatial distribution of city's shopping centres, today with the intensified competition, the city experienced first shopping centre closures and competing shopping centres started to accumulate around major nodes and arteries (AYD:2012).



Map 5: Major shopping centres of Ankara. Most of the shopping centres are aligned along Eskişehir Road (red rectangle) which connects Çayyolu-Ümitköy (higher, higher-middle class areas) to city centre Kızılay (red dot), periperal roads (green dots) and City's internal spine Atatürk Boulevard (blue rectangle) (Source: Google maps, map produced on June the 6th 2012)

7.3. Conclusions

The aim of this chapter is to emphasise the peculiar aspects of Ankara and to provide knowledge about on-going urban dynamics that contribute to the urbanisation process and thus to the production of urban food retail environments.

The city of Ankara has shown a very rapid population growth which stayed above Turkey's average until the end of 1970's. During this growth process, the presence of governmental and military functions, foreign representatives and considerable number of university students contributed to Ankara's population. Ankara contains high value added industrial functions within its borders but the service sector dominates the economic life of the city. Although the city's macroform follows the geographical features that characterise the city, changing political streams produce different patterns of development, especially when the housing sector is considered. Despite recent developments leading to the decentralisation of major CBD (central business district) functions Ankara still protects its traditional city centres which are characterised by basic retail functions and personal service activities rather than upper level FIRE (finance, insurance and real-estate) functions. Despite its powerful retail structure, Ankara's traditional centres tend to shrink under the pressure of modern retail formats like shopping centres. Rather than guiding the urban form and controlling the development, the transportation system of Ankara is a retroactive one. In contrast to advanced transportation systems which optimise speed, comfort and costs; private car based transportation system of the city has the potential to generate more and more problems as the city grows. Despite the presence of pioneering and successful examples (like housing cooperatives and underground projects) for more than a decade Ankara has become the site of incremental and profit based interventions that neither change the urban quality of life nor decrease the gap between disadvantaged and advantaged populations. The main hypothesis of this research is that it is possible to observe these inequalities through different layers of urban functions.

Accessibility to healthy food products has always been considered to be a very important component of human life.

With the neo-liberalisation of the economy the retail structure in big cities changed. The change at one side guided by the internal dynamics of the retail sector and on the other side highly affected by changes in the demand side. Increased differentiation in incomes intensified the gap between rich and poor and also caused to the differentiation in the supply side. This differentiation based on consumption practices makes some consumers advantaged while do some fall into a position of relative and cumulative disadvantage. To meet their basic needs disadvantaged consumers need to spend more of their material resources for a relatively limited variety of products. Advantaged consumers enjoy retail diversity which creates a kind of competitive environment for quality, variety and price of

products while disadvantaged consumers have less of this competitive environment in their vicinity and are more dependent on what is existing.

Furthermore, the lack of competitive power of small retailers over big ones causes the closure or weakening of traditional retailers. This situation further aggravates the disadvantage of such already disadvantaged areas. Disadvantaged consumers need to spend more of their resources to be able to access to more advantaged retail opportunities. Utilisation of more time and energy for grocery shopping can be quantified when converted to fuel or money but social and cultural negativities such as alienation and exclusion are hard to concretise.

The following section aims to prove some of the key hypothesises developed previously and mentioned many times in this section. The selective locational practices of organised food retailers were attempted to be discovered through approaching to two different systems, demand and supply side dynamic. Although these systems are related, assumptions were mostly based on the specific characters of the system (demand side dynamics or supply side dynamics) or sometimes explained through the relationship of these dynamics with upper systems (effects of neoliberalism on consumers or retailers). The author accepts the contribution of understanding the dynamics of these parts and their interaction with broader systems but none of these approaches really touch upon the relationship between supply and demand. To this end, next chapter aims to provide quantitative understanding on the relationship between locational practices of organised food retailers and socio-economic characteristics of neighbourhoods[61].

[61] Within the framework of this research, in combination with Marxist approach and peculiarities of the organised food retail sector, the question of inequality is (re)defined as a factor of spatial accessibility. Inequality is assessed on the basis of the accessibility potential of inhabitants to food providers. In this view, neighbourhoods are considered as the unit of analysis and retail presence within neighbourhoods is considered together with their socio economic characteristics.

Guy (2007:198) discussing the provision conditions in 'food deserts' in the UK develops the condition of 'inadequacy' as "a small shop selling little or no fruit and vegetables is not usually seen as an adequate outlet". Following this, the author accepts that the availability of one or more OFR satisfies the condition of accessibility; and the presence of more OFRs indicates to a better accessibility within the neighbourhood.

8. DISCOVERING THE RELATIONSHIPS: SUPPLY AND DEMAND INTERACTIONS

This section aims to reveal the interrelationship between supply and demand sides of organised food retail (OFR) sector in Ankara. The supply side of the research covers 516 stores representing 18 major organised food retail companies while the demand side covers the population of the neighbourhoods of Ankara located within metropolitan boundaries. By realising this aim this part of the research contribute to test the main research questions posed at the beginning of the thesis.

Whether the production of organised food retail environments under capitalism produces (further) inequalities or not? with sub questions; q1: What is the current state of the organised food retail distribution in Ankara? q2: Whether the observed retail structure is effect by the socio-economic characteristics of the population?

As realised in other parts of the research, this chapter starts from the analysis of the present situation and develops deductively from general to specific. In the first part of this section, the statistical research process is described. In this section the research data is presented, the issue of injustice is identified and research limitations are exposed to the reader. In the second part, under the heading of analysing the present situation, the relationship between socio-economic characteristics of the neighbourhoods and retail presence in these neighbourhoods is analysed on the basis of neighbourhood groups and through percentage statistics. The third part is devoted to the geographically weighted regression (GWR) analysis. The procedure of GWR analysis is performed respectively with the descriptive exposition of the data, application of the global regression model and utilisation of GWR to specify peculiar local conditions. In the conclusion part, the findings of each step will be discussed.

8.1. Research Description

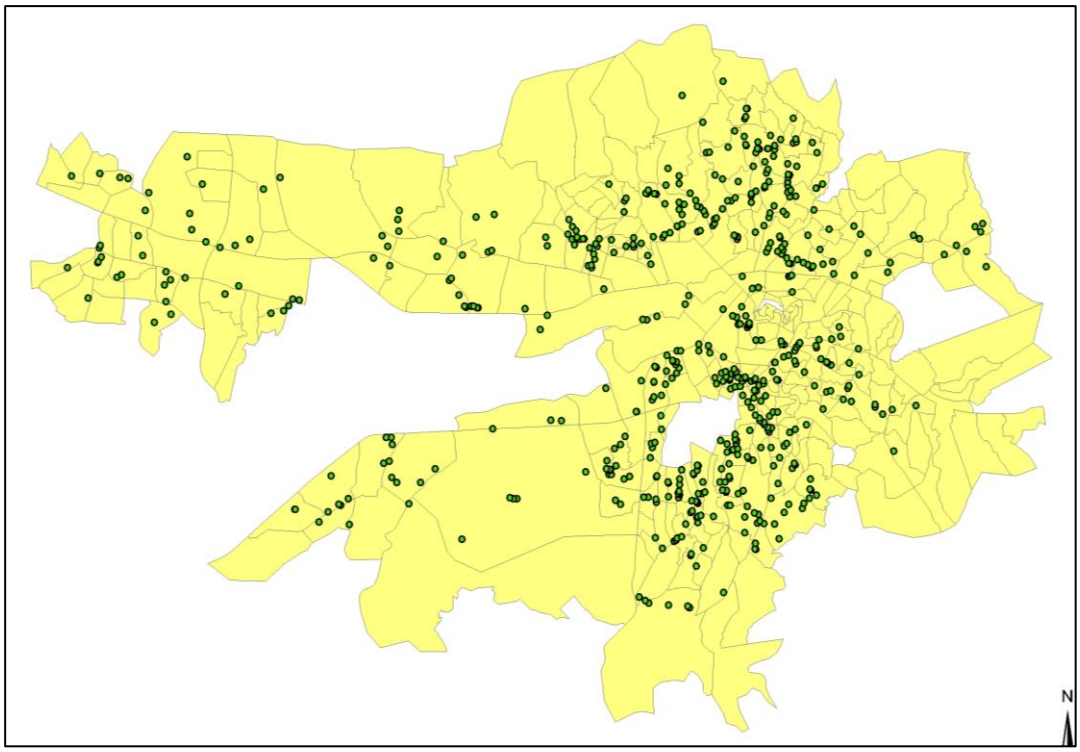
8.1.1. Presentation of the Data

The statistical research part of the thesis is based on two data groups one belong to organised food retailers and other belong to neighbourhood characteristics.

On the side of organised food retailers, the research is focused on 18 major organised food retail companies having 516 stores functioning in metropolitan area[62] of Ankara. As a consequence of the geographical focus of the research thirty-eight stores had to be taken out of consideration mostly located outside metropolitan area. Despite these exclusions, the research covers 95% of defined organised food retailers. The address information about store locations is obtained through firms' internet web pages which reflect up-to-date information about the location of their stores. The stores are then assigned to neighbourhoods and positioned on the GIS map of Ankara on the basis of their addresses.

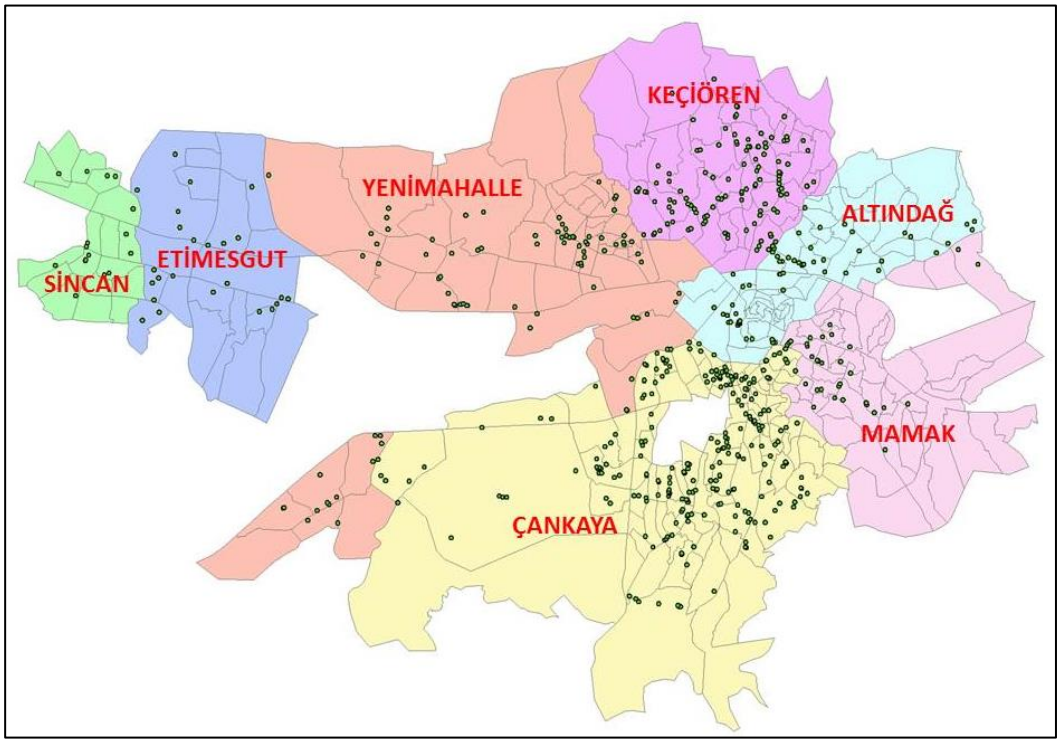
	firm name	firm presence	total number of stores	stores covered	missing stores	percentage covered
1	migros-tansas-sok	international	68	68	0	100
2	kiler	national	55	50	5	91
3	bim	national	126	115	11	91
4	peynirci	local	36	36	0	100
5	makromarket	national	63	55	8	87
6	cagdas	regional	34	32	2	94
7	yunus	regional	24	24	0	100
8	altunbilekler	local	32	32	0	100
9	akyurt	local	24	24	0	100
10	carrefour	international	12	12	0	100
11	metro group	international	3	2	1	67
12	tesco-kipa	international	1	1	0	100
13	soykan	regional	34	33	1	97
14	gimsa	local	10	10	0	100
15	celikler	local	17	17	0	100
16	basgimpa	local	19	19	0	100
17	sekerciler	local	8	8	0	100
18	macit	local	8	8	0	100
19	shopping centres		37	35	2	95
total			**611**	**581**	**30**	**95**

Table 16: List of organised food retailers in Ankara covered within the research



Map 6: Point distribution of organised food retailers in the metropolitan area of Ankara with neighbourhood divisions

[62] Defined metropolitan area is thought to represent urbanised/developed core of Ankara. Administratively it corresponds to the Greater Municipality Boundaries of the year 2007.



Map 7: Districts of Ankara with point distribution of retailers and neighbourhood divisions

On the side of neighbourhoods, within the framework of this research, 366 metropolitan neighbourhoods representing around 3.5 million inhabitants have been taken into account. Some of the neighbourhoods had to be taken out of consideration due to following reasons. Firstly, some neighbourhoods, although included within the boundaries of the metropolitan districts could not be considered as part of metropolitan Ankara due to their rural character (physically under developed and less populated places) and poor connections with the city. Secondly some areas had to be removed being non-residential neighbourhoods. Military lands, Ataturk's Forest area and lands belonging to governmental institutions are examples of the second group of neighbourhoods which are excluded from the research. As a result, out of a total number of 547 neighbourhoods, 366 of them included into the research.

Neighbourhoods are differentiated on the basis of their social, economic and physical characteristics. To realise this different sources are utilised. Turkish Statistical institute (TUIK) provides most of the data. General Census of Population of the year 2000 provides most of the social and economic indicators at the neighbourhood detail. General Census of Building of the year 2000 offers information about physical condition of buildings again at the same neighbourhood scale. Average square meter land prices of the year 2006 are obtained from the web site of the Revenues Administration. The street level data aggregated to neighbourhoods based on obtained averages. Finally the digitised neighbourhood map of

metropolitan Ankara is obtained from the Middle East Technical University, Faculty of Architecture Maps and Documentation archive.

Source	Description of the data	year	indicator	content
TUIK	General Census of Population	2000	social, economic	population, household information, civil status education, economic activity, status in the job occupation, employment
TUIK	General Census of Buildings	2000	physical	housing conditions
TUIK	Household Consumption Survey	2009	economic	consumption pattern with reference to income and expenditure quintiles
TUIK	Address Based Population Registration System	2008	social	women illiteracy ratio
RA	Average Square meter Land Prices	2006	economic	average land prices for neighbourhoods
METU	Digital map of Ankara	2007	physical	neighbourhoods, roads and buildings basemap and database system

TUIK: Turkish Statistical Institute
RA: Revenue Administration
METU: Middle East Technical University

Table 17: List of data resources utilised in the research (with publication dates, indicators and content)

8.1.2. Limitations of the Research

On the side of retailers, the research reflects the conditions of a specific picture in time and need to be modified according to changing aspects. Organised food retail companies covered in this research, their store numbers and their addresses are obtained during the summer of 2007 and the very dynamic retail geography of Ankara has already changed considerably until 2013. The research can only present the situation in 2007 and to investigate contemporary situation a new research needs to be conducted on the basis on up-to-date information.

OFRs covered in the research represent different retail capitals, functioning at different spatial scales. Furthermore, firms are all have their different development stories and different development strategies. Although these aspects did not taken into account within this research, all these dimensions could be considered as elements of a special research topic. But for the purpose of keeping track on spatial injustices, the author preferred not to consider differentiations among retailers and only took into account the retail presence in a neighbourhood as a necessary and enough condition of standardised food provision and accessibility.

Shopping centre development in Ankara also presents a very productive research ground in terms of consumption practices, store investment strategies and production of a newly emerging spatial monopolisation trends. But shopping centres are excluded from the research as their purpose cannot be limited with food retailing and more importantly because

their attraction range exceeds neighbourhood level which is the unit of analysis of the research.

On the side of neighbourhood statistics there exist a mismatch between the dates of different sources. Based on the year 2007, author tried to gather the most up-dated information regarding the case. But, it is very hard to find neighbourhood level, comprehensive information in Turkey as most statistical data is obtained on the basis of urban level and detailed statistical investigations are realised on the basis of representative samples. For this, in order to bring together various data, the author utilised the most updated information for each group of indicator.

A final limitation comes from the theoretical choice of the author. The Marxist methodology followed during the research necessitated a class based analysis of neighbourhoods. But due to time limitations the author preferred not to perform a discussion on new forms of class formation (see Giddens: 1973 on new class formations and Saunders: 1978, 1984 on the formation of consumption or housing classes) and its application on the case. At one side, based on preliminary knowledge about such a discussion and available data resources, the author believes that if would be impossible to find relevant data to construct the class geography of Ankara. On the other side, socio economic specialities, together with physical indicators are providing necessary information about neighbourhood differentiation and about neighbourhood's class characteristics.

8.1.3. Defining Inequalities

The questions of inequality and injustices are very controversial. According to different political views these questions obtain different definitions. In Marxist point of view injustices constitutes the basis of social and economic structure. One group owns the means of production, controls the distribution and usage of limited sources, and exploits others labour to perform these actions. Another group occupies a contrasting position. This second group has no chance to obey to the former and earn wages to survive in the system. Social mobility among these groups (classes) can happen only momentarily while justice and equity can never be achieved as long as the capitalist system continues to define social and economic conditions.

Following this, the hypothesis is constructed on the belief that retailers (a sort of capitalist class, retail capitalists) have right to choose where to develop their business and free to quit the place whenever they desire. On the other side, there exist consumers belonging to

different classes and according to their status they receive differential services from these retailers.

Within the framework of this research, in combination with Marxist approach and peculiarities of the organised food retail sector, the question of inequality is (re)defined as a factor of spatial accessibility. Inequality is assessed on the basis of the accessibility potential of inhabitants to food providers[63]. In this view neighbourhoods are considered as the unit of analysis and retail presence within neighbourhoods is considered together with their socio economic characteristics. Guy (2007:198) discussing the provision conditions in 'food deserts' in the UK develops the condition of 'inadequacy' as "a small shop selling little or no fruit and vegetables is not usually seen as an adequate outlet". Following this, the author accepts that the availability of one or more OFR satisfies the condition of accessibility; and the presence of more OFRs indicates to a better accessibility within the neighbourhood[64].
Neighbourhoods are assumed to be the nodes where daily retail practices are mostly satisfied within 800 meters maximum walking distance. However, size of neighbourhoods change considerably both in terms of population and in terms of surface. At the level of abstract statistics, the size of the neighbourhoods are normalised through the utilisation percentages while at the spatial level normalisation through surface area did not preferred for a number of reasons. Primarily most of the neighbourhoods, especially those located at the central areas have similar sizes. Secondarily, although some neighbourhoods have much larger areas then others their inhabited land is almost at the same size as other ordinary size neighbourhoods.

As mentioned previously, despite differentiations in OFR characteristics, it is assumed that OFRs are able to provide more or less similar services based on food diversity, quality and price standard. As the research only aims to test the selective locational preference of organised food retailers with respect to neighbourhoods' socio economic characteristics, differential service provisions and unique consumption patterns did not taken into account.
Lastly, although the accessibility to one or more OFR satisfies the condition of equality or justice, the concepts are utilised just to evaluate defined relationship between OFRs and consumer characteristics. One should not consider this assumption as supremacy of modern formats over traditional ones, or as part of an urban retail vision that only includes modern retailers. In contrast, the research is performed to illustrate the selective nature of the

[63] In this view, food differs from other retail commodities both being a basic, physiological need, and having a frequent consumption and purchase pattern. These peculiarities increase the importance of accessibility to food products and necessitate its close availability to inhabited areas.

modernisation trend in food retailing as an exemplary case that can be adapted to other profit based locational operations.

8.2. Analysing the Present Situation

In this initial stage of the statistical analysis the present situation of the geographical distribution of organised food retailers (OFR) in Ankara is examined. Primarily, without processing the data, neighbourhoods are grouped according to retail number they have within their borders. The groups are formed according to the maximum number of 11 organised food retailers and the minimum number of 0 organised food retailers. The first and most advantaged group of neighbourhoods is formed out of 6 neighbourhoods having 9 to 11 OFRs. The second group is composed of 16 neighbourhoods having 6 to 8 OFRs while the third group has 28 neighbourhoods having 4 to 5 OFRs. The fourth group of neighbourhoods each have 3 OFRs within their borders and in this group there exists 29 neighbourhoods. The fifth group is composed of 124 neighbourhoods having either 1 or 2 organised food retailers. The last and the least advantaged group of the study, the sixth group, is formed out of 135 neighbourhoods having no organised food retailer inside its borders.

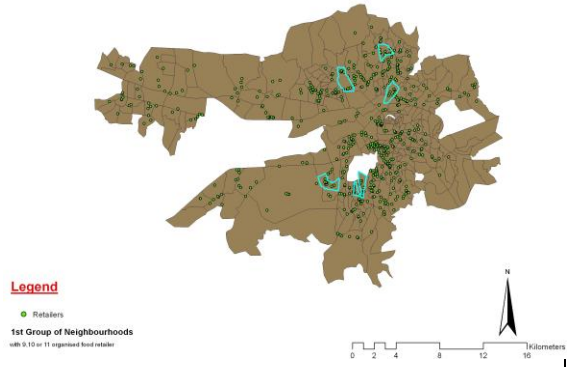
1st group: neighbourhoods with 9 to 11 organised food retailer	~	
2nd group: neighbourhoods with 6 to 8 organised food retailer		Demographic indicators
3rd group: neighbourhoods with 4 to 5 organised food retailer		Educational indicators
4th group: neighbourhoods with 3 organised food retailer		Economic indicators
5th group: neighbourhoods with 1 or 2 organised food retailer.		Physical indicators
6th group: neighbourhoods with 0 organised food retailer		

Table 18: Neighbourhood groups according to the number of organised food retailers functioning within neighbourhood area

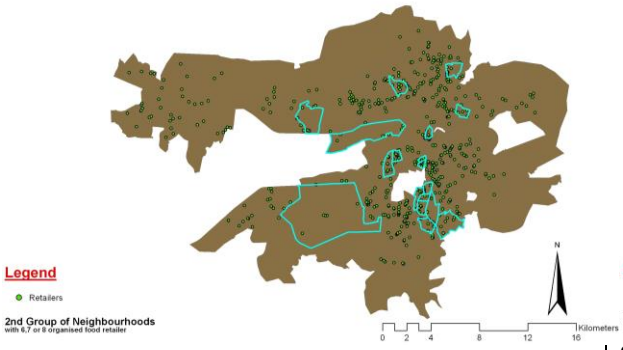
When one investigates the geographical distribution of neighbourhood groups according to the organised food retail number they have it is hardly possible to explain the reasons of such distributions with reference to general knowledge about the city. At first sight, it is observed that neighbourhoods occupying some central locations and having some local peculiarities (being at the intersection of main roads, being located at main commercial corridors/strips or being the neighbourhood centres) are obtaining much larger number of

OFRs than others. At the other extreme, the least advantaged neighbourhoods are spotted around the areas of Mamak district (south-east), Keçiören district (East), northern parts of Yenimahalle district (central north-east) and at the periphery of Eryaman districts. The first three districts are known as the economically most disadvantaged districts of Ankara whereas the Eryaman district is composed of residential areas for the military personnel in which development of any kind, including the retail development is strictly controlled.

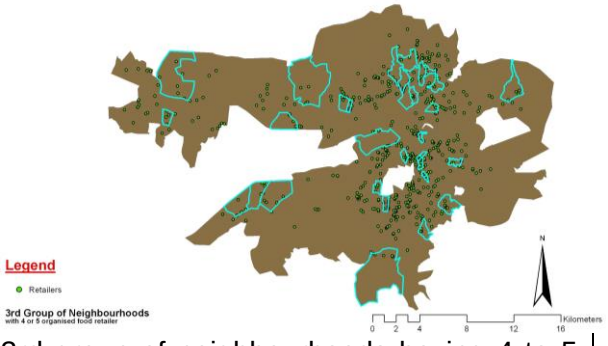
Despite this very general knowledge about the relationship between district characteristics and organised food retail distribution, one needs to investigate in detail the reasons affecting this formation. For this reason in the following parts, beyond districts' economic characteristics, the socio economic structure of neighbourhoods is examined at various levels.



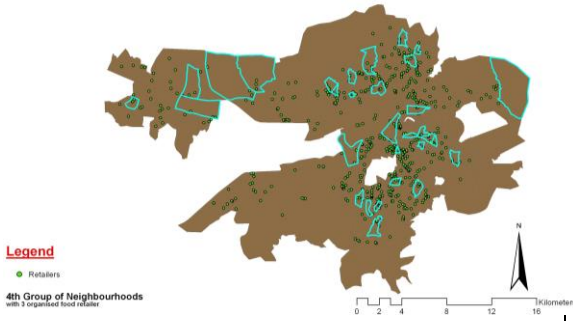
1st group of neighbourhoods having 9 to 11 organised food retainers



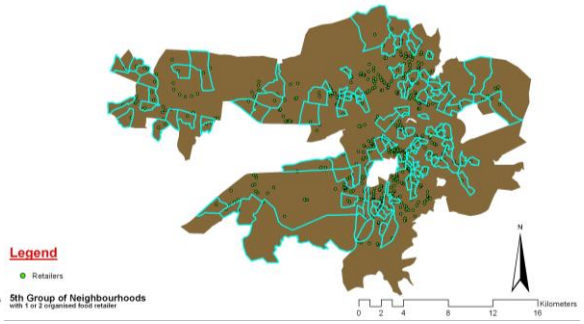
2nd group of neighbourhoods having 6 to 8 organised food retailers



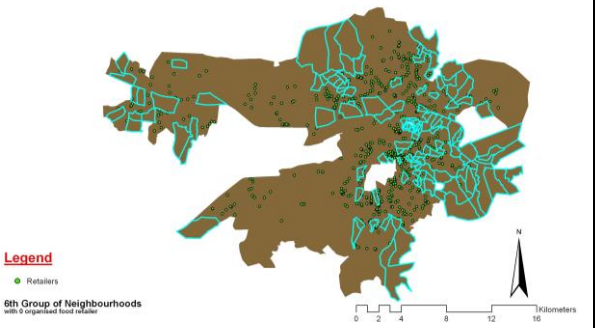
3rd group of neighbourhoods having 4 to 5 organised food retailers



4th group of neighbourhoods having 3 organised food retailers



5th group of neighbourhoods having 1 to 2 organised food retailers



6th group of neighbourhoods having 0 organised food retailers

Map 8: Maps indicating groups of neighbourhoods according to different number of organised food retailer

8.2.1. Retail Relationship With Social Indicators

Socio economic indicators characterising the neighbourhood groups formed in the previous section are now compared both with other neighbourhoods' socio economic characteristics and with Ankara's averages. Demographic, educational, economic and physical indicators are utilised throughout these comparisons. At the end, out of four basic indicators and eight sub indicators most relevant indicators, the ones which are the most strongly related to changes in the retail number, are identified and utilised for the construction of indexes to be processed in the regression analysis.

8.2.1.1. Population and household size

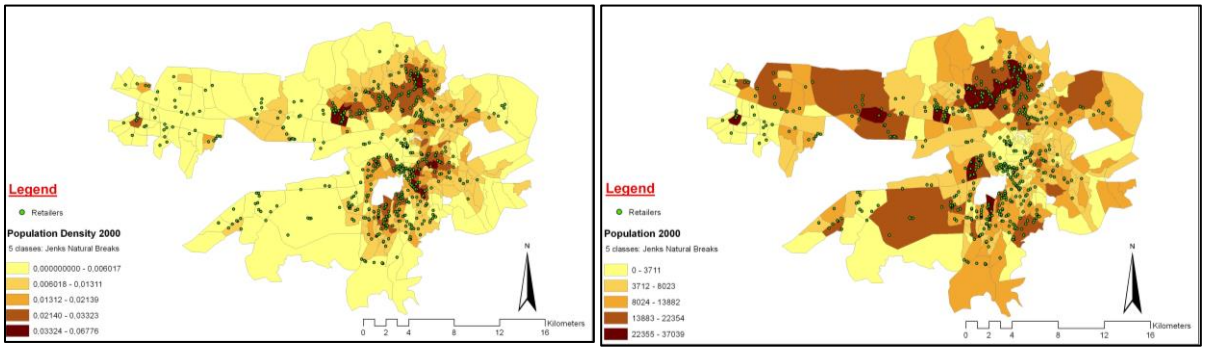
	population 2008	%	households 4 and less	%	households 5 and more	%	OFR number	%
neighbourhood group 1	150413	4	29053	4	8594	4	59	11
			77		23			
neighbourhood group 2	251721	7	59914	8	10494	4	112	20
			85		15			
groups 1,2	402134	11	88967	12	19088	8	171	31
neighbourhood group 3	449651	12	84706	11	23654	10	125	23
			78		22			
groups 1,2, 3	851785	23	173673	23	42742	18	296	54
neighbourhood group 4	436106	12	72877	10	22272	9	93	17
			77		23			
groups 1,2,3,4	1287891	35	246650	33	65014	27	389	70
neighbourhood group 5	1366099	37	247423	33	81568	34	164	30
			75		25			
groups 1,2,3,4,5	2652990	71	493973	67	146582	60	553	100
neighbourhood group 6	1066853	29	209617	28	93054	38	0	0
			69		31			
grand total	3720843	100	742291	100	243306	100	553	100
			75		25			

more than grand total %
same as grand total %
less than grand total %

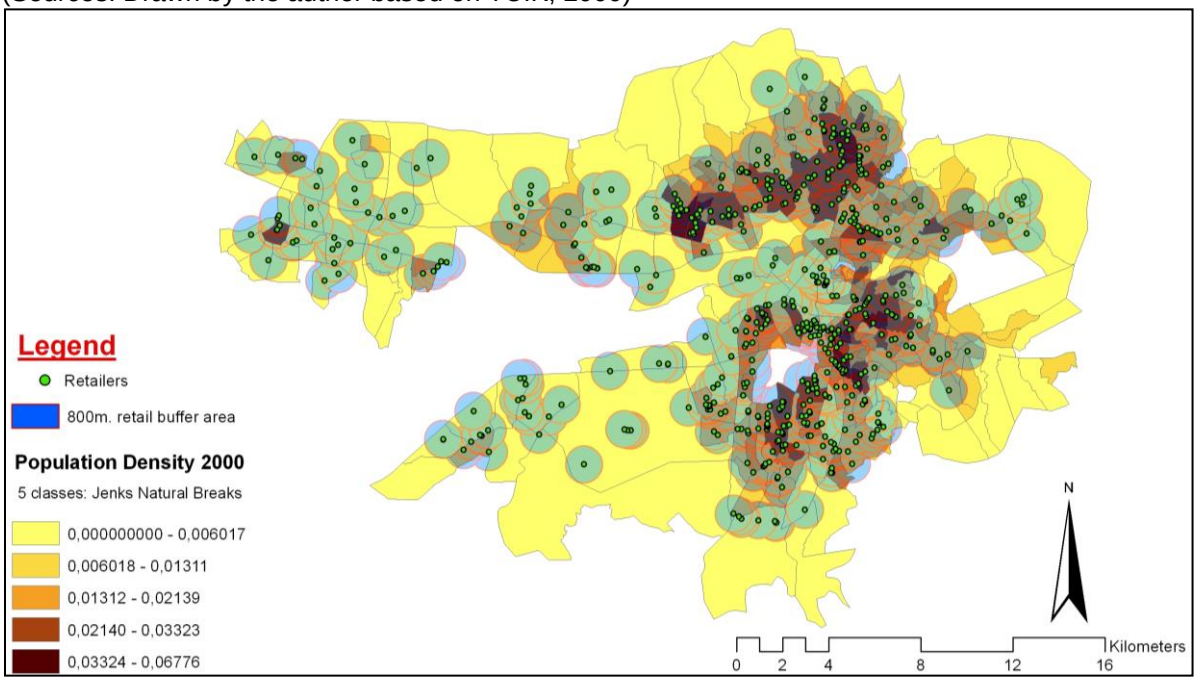
Table 19: Analysis of population and household sizes (4 and less persons, 5 and more persons) according to neighbourhood groups

When we look at the population distribution in accordance with the retail geography we see striking inequalities. The first and second group of neighbourhoods representing a bit more than 10% of Ankara's population contain more than 30% of the retailers while the most disadvantaged 6th group representing almost 70% of the population is unable to attract any retailer within their borders. After the general population distribution it is important to observe household size which is utilised as an important socio economic indicator in different researches. It is known that there is an indirect relation between household size and socio economic development as households are more aware of birth control mechanisms and unwillingly to have more children to be less sensible to economic fluctuations. According to TUİK (2000) Ankara has an average household size 3,82 people. This information helps to divide the household size range into two categories: households having 4 and less persons

and households having 5 or more persons. 75% of households in Ankara have a size lower than 5 persons. When one looks at the demographic character of the first four neighbourhood groups it is seen that households having less than 5 persons are over represented compared to general Ankara's profile. While the second group has 10% smaller households than Ankara, 6th group has 6% more larger households. 5th group represents a break line between smaller and larger household groups. From the point of view of retail distribution, it is interesting to see that 70% of food retailers are located at neighbourhoods (groups 1, 2, 3 and 4) where one third of households have less than 5 members.



Map 9: Populations of the neighbourhoods and distribution of the organised food retailers in Ankara
Map 10: Neighbourhoods' population densities based on the populations of the year 2000 and distribution of organised food retailers in Ankara
(Sources: Drawn by the author based on TUIK, 2000)



Map 11: Neighbourhoods' population densities based on the populations of the year 2000 and distribution of organised food retailers with 800 meter retail buffer radius.
(Sources: Drawn by the author based on TUIK, 2000)

Here it is important to mention two of the main assumptions of the geographical analysis. Firstly neighbourhoods are considered as geographical units having equal sizes. This

assumption may have a negative influence on the research if there exist positive correlation between neighbourhood size and retail presence. But, this is not the case for Ankara. At one side retail distribution is highly affected by socio economic characteristics of the neighbourhoods and instead of size these characteristics affect more locational preference of retailers. On the other side those neighbourhoods having larger areas are not completely settled by inhabitants. Those settled parts are sharing similar sizes with neighbourhoods having smaller sizes and this can also be observed through the unbalanced distribution of OFRs on larger neighbourhoods. Secondly and in relation with the first notice maps 9 and 10 indicate that the population distribution among neighbourhoods is different than the distribution of population densities. Map 11 aims to illustrate the effect of density on OFR distribution. It can be observed that at inner city areas, especially around traditional city centres, the high population densities are followed by increasing concentration of retailers. But as mentioned before, the existence of high number of OFR at low density locations (South west and north west corridors) contributes to the justification of the assumption based on the influence of socio economic characteristics. So it can be concluded that densities need to be considered as an important factor affecting OFR presence but socio-economic characteristics need to be considered as well.

8.2.1.2. Civic Status

	divorced	never maried	widow	total unmarried	%	married	%	total	OFR number	%
neighbourhood group 1	1947	36718	4599	43264	4	66030	4	109294	59	11
				40		60				
neighbourhood group 2	5442	81851	10972	98265	9	113035	7	211300	112	20
				47		53				
groups 1,2	7389	118569	15571	141529	13	179065	11	320594	171	31
neighbourhood group 3	6165	109802	14082	130049	12	194806	11	324855	125	23
				40		60				
groups 1,2, 3	13554	228371	29653	271578	26	373871	22	645449	296	54
neighbourhood group 4	5185	89472	12864	107521	10	169001	10	276522	93	17
				39		61				
groups 1,2,3,4	18739	317843	42517	379099	36	542872	32	921971	389	70
neighbourhood group 5	16003	312521	39678	368202	35	589940	35	958142	164	30
				38		62				
groups 1,2,3,4,5	34742	630364	82195	747301	71	1132812	67	1880113	553	100
neighbourhood group 6	10963	272337	32550	315850	30	565712	33	881562	0	0
				36		64				
grand total	45139	893893	113292	**1052324**	**100**	**1697193**	**100**	**2749517**	**553**	**100**
	2	33	4	**38**		**62**		**100**		

more than grand total %
same as grand total %
less than grand total %

Table 20: Analysis of the civic status according to neighbourhood groups

Civic (marital) status can also be used as a good indicator of socio economic development. In contrast to modern social groups, in traditional societies marriage is considered as a natural event that one has to face with just after his or her maturation. For this reason it can

be assumed that the age of marriage is relatively low and the ratio of marriage is relatively high in traditional parts of the societies when compared with the modern parts. Considering the part of Ankara's population older than 15 years old, there exists a significant relationship between civic status of the persons and retail distribution. Ankara, in general, has 62% of its population married. While the 6th neighbourhood group represents more than expected married persons in its borders, 5th group shows similar characteristics to the overall Ankara. Rest of the groups have much fewer married couples and especially the second group has 9% less than average. Regarding the relationship with the retail presence, one third of the total married people is living in the group of neighbourhood having no retailer, and almost 2/3 of them has either one or no retail option in their neighbourhood. In contrast to this, married households in the first two groups of most advantaged neighbourhoods represent a bit more than one tenth of all married households and receiving service from almost one third of all retailers in their neighbourhood.

8.2.1.3. Level of Education

	non school graduate	primary school graduate	illeterate	TOTAL-1	% - 1	primary education	middle school graduate	professional school	high school	high school equal	TOTAL-2	% - 2	higher education	% - 3	OFR number	%
neighbourhood group 1	21062	31286	5875	58223	3	4317	10851	356	24033	6184	45741	4	18828	5	59	11
	20	30	6	47		4	10	0	23	6	37		15			
neighbourhood group 2	29068	42552	7140	78760	5	6558	17664	802	56003	12943	93970	8	56197	14	112	20
	17	25	4	34		4	10	0	32	7	41		25			
groups 1,2	50130	73838	13015	136983		10875	28515	1158	80036	19127	139711		75025	19	171	31
neighbourhood group 3	58767	89667	16761	165195	10	11719	31223	1161	71023	20080	135206	12	61298	15	125	23
	20	30	6	46		4	10	0	24	7	37		17			
groups 1,2, 3	108897	163505	29776	302178		22594	59738	2319	151059	39207	274917	10	136323	34	296	54
neighbourhood group 4	53964	86413	16959	157336	9	9808	27892	982	55109	16889	110680		42002	11	93	17
	20	32	6	51		4	10	0	21	6	36		14			
groups 1,2,3,4	162861	249918	46735	459514		32402	87630	3301	206168	56096	385597	34	178325	45	389	70
neighbourhood group 5	195606	314823	60880	571309	34	34486	99254	3210	189086	57875	383911		146470	37	164	30
	20	33	6	52		4	10	0	20	6	35		13			
groups 1,2,3,4,5	358467	564741	107615	1030823		66888	186884	6511	395254	113971	769508	30	324795	81	553	100
neighbourhood group 6	211873	365054	73899	650826	39	33194	103431	2720	146321	50748	336414		71692	18	0	0
	21	37	7	61		3	10	0	15	5	32		7			
grand total	563942	923913	181317	1668272		105763	298138	10322	538356	162970	1115549	100	399228	100	553	100
				52	100						35		13			

more than grand total %
same as grand total %
less than grand total %

Table 21: Analysis of the education level according to neighbourhood groups

Education level of persons affects their social and economic life to a considerable degree. From job finding to wage earning, people differ from each other according to their education background. For a long time Turkey have been applying the policy of compulsory education during primary school for five years. Recently the period of compulsory education increased to 9 years to cover middle school as well. To this end the education profile of Ankara is divided into three categories. The first one covers non school graduates, illiterates and 5 years primary school graduates. The second group is consisting middle school graduates to high school graduates. The final cluster indicates the graduates from higher education institutions. For Ankara which is the second largest city in Turkey and which has a relatively well established education hierarchy, the significance of the first group stayed at very low level whereas neighbourhoods started to differentiate when percentages of high school and

higher education graduates are considered. As happened in previous indicators, the first four groups of neighbourhoods have more of high school and higher education graduates than Ankara's averages. While the second group has significantly higher concentrations than the rest (12% more than average), the sixth group includes the lowest graduate level of all groups (6% less than average). If the first four groups can be considered advantageous in terms of education, the presence of retailers accentuates this advantage as they include 70% per cent of all considered retailers. 7% of all higher education graduates are living in the most disadvantaged sixth group and could not receive service from any organised food retailer within their neighbourhoods.

8.2.2. Retail Relationship with Economic Indicators

8.2.2.*1. Position in the Job Market and Population not in the Labour Force*

	employed	%	unemployed	%	not in work	%	OFR number	%
neighbourhood group 1	42046	4	5862	5	61393	4	59	11
	38		5		56			
neighbourhood group 2	85572	8	9948	6	115842	8	112	20
	40		5		55			
groups 1,2	127618	12	15810	10	177235	12	171	31
neighbourhood group 3	127999	12	17953	11	178936	12	125	23
	39		6		55			
groups 1,2, 3	255617	25	33763	21	356171	23	296	54
neighbourhood group 4	103863	10	15975	10	156714	10	93	17
	38		6		57			
groups 1,2,3,4	359480	35	49738	31	512885	33	389	70
neighbourhood group 5	365318	35	55089	35	537851	35	164	30
	38		6		56			
groups 1,2,3,4,5	724798	70	104827	66	1050736	68	553	100
neighbourhood group 6	323550	31	55075	35	503034	33	0	0
	37		6		57			
grand total	1039945	100	158006	100	1537146	100	553	100
	38		6		56			

	no channel seeker	%	student	%	housewifes	%	retired	%	rentier	%	OFR number	%
neighbourhood group 1	2155	4	18299	4	29926	4	9576	4	335	2	59	11
	4		30		50		16		1			
neighbourhood group 2	2897	5	40568	10	43545	5	21519	9	710	5	112	20
	3		37		40		20		1			
groups 1,2	5052	9	58867	14	73471	9	31095	13	1045	7	171	31
neighbourhood group 3	6391	11	54213	13	84154	11	29688	13	1224	9	125	23
	4		31		48		17		1			
groups 1,2, 3	11443	20	113080	27	157625	20	60783	26	2269	16	296	54
neighbourhood group 4	5821	10	42223	10	79535	10	25773	11	1210	8	93	17
	4		27		51		17		1			
groups 1,2,3,4	17264	30	155303	37	237160	30	86556	37	3479	24	389	70
neighbourhood group 5	20365	36	150962	36	272520	34	80904	35	4051	28	164	30
	4		29		52		15		1			
groups 1,2,3,4,5	37629	66	306265	72	509680	64	2E+05	72	7530	52	553	100
neighbourhood group 6	20292	36	120976	29	290965	37	58958	25	4103	29	0	0
	4		24		59		12		1			
grand total	57132	100	422971	100	796226	100	2E+05	100	14368	100	553	100
	4		28		52		15		1			

more than grand total %
same as grand total %
less than grand total %

Table 22: Analysis of the position in the job market according to neighbourhood groups
Table 23: Analysis of the population not in the labour force according to neighbourhood groups

Position in the job market indicates whether individuals are integrated with the economy or not. According to TUIK statistics, 44% of Ankara's population is economically active and 86% of this is employed. Although the employed population in second and third group is 1 to 2 % higher than Ankara's average, neighbourhood groups do not differ from each other substantially. Unemployed population is also evenly distributed among neighbourhood groups. Considering the position in the job market, small differences occurred between first neighbourhood groups and the last ones and the differences did not exceed 2% variation. But when one observes the composition of the population out of labour force interesting differences appear. First three groups of neighbourhoods which are benefiting more from the existing retail distribution include more student and retired populations than Ankara's population whereas fifth and sixth group of neighbourhoods have relatively higher percentage of housewife with compare to other groups and Ankara's averages. Strikingly high percentage of students (9% higher than Ankara) and low percentage of housewives

(12% lower than Ankara) highlight once more the second group of neighbourhoods. Within the population not in the labour force while students are considered as potentially active members of the near future, retired people are seen as sources of economic and social stability. Increased number of housewives not participating in the labour force cannot be considered just as a cultural factor. The situation has to be seen as a sign of economic and social disintegration or non-integration in the context of advanced capitalist economy.

8.2.2.2. Economic Activity

	manuf	%	elec_gas_wat	%	constr	%	trade	%	transp_str	%	FIRE	%	services	%	OFR number	%
neighbourhood group 1	4999	3	487	4	2463	3	7925	7	2884	4	5871	5	16936	4	59	11
	12		1		6		19		7		14		41			
neighbourhood group 2	7243	5	1032	9	4555	6	12346	7	3855	6	13385	11	42115	10	112	20
	9		1		5		15		5		16		50			
groups 1,2	12242	8	1519	13	7018	9	20271	11	6739	10	19256	16	59051	14	171	31
neighbourhood group 3	14195	9	1376	12	8726	11	21562	12	7590	12	16547	14	53624	12	125	23
	11		1		7		17		6		13		43			
groups 1,2, 3	26437	17	2895	25	15744	21	41833	23	14329	22	35803	30	112675	26	296	54
neighbourhood group 4	13572	9	1127	10	6539	9	19143	11	6906	11	13131	11	44683	10	93	17
	13		1		6		18		7		12		43			
groups 1,2,3,4	40009	26	4022	35	22283	29	60976	34	21235	33	48934	40	157358	37	389	70
neighbourhood group 5	54830	36	4192	36	25780	34	61201	34	22406	34	44130	36	147188	34	164	30
	15		1		7		17		6		12		41			
groups 1,2,3,4,5	94839	62	8214	71	48063	63	122177	69	43641	67	93064	77	304546	71	553	100
neighbourhood group 6	57585	38	3394	29	27872	37	56035	31	21527	33	28227	23	125399	29	0	0
	18		1		9		18		7		9		39			
grand total	152424	100	11608	100	75935	100	178212	100	65168	100	121291	100	429945	100	553	100
	15		1		7		17		6		12		42			

more than grand total %
same as grand total %
less than grand total %

Table 24: Analysis of the economic activity classes according to neighbourhood groups

The economic activity that individuals are working has always been considered as a very important indicator of socio economic status since long time. Economic activities in Ankara can majorly be classified under four sectors, three of which have significant spatial implications. As mentioned before, the service sector in Ankara, with a percentage of 42% is the most powerful economic activity. Services are followed by trade sector which occupies 17% of all employments. Despite their economic importance these two sectors are considered as weak indicators as their distribution among neighbourhood groups do not reflect any significant correlation with the distribution of organised food retailers. Similarly, the members of the construction sector and those working in gas, electricity and water services and labourers in the sector of transportation and storage are taken out of considerations due to their low number and random distribution among neighbourhood groups. Despite the development and diversification of the economy and despite its service based character the socio economic difference between white and blue collar workers is still an efficient indicator, at least for the case of Ankara.

With 15% manufacturing and with 12% finance, insurance and real estate services (FIRE) come after services and trade. Different from other sectors, manufacturing and FIRE are made up of relatively well defined, homogeneous group of people, and can be utilised as good indicators of socio-economic differentiation. When the characteristics of the neighbourhood groups are compared with these sectors, it is found that in neighbourhood groups where the presence of manufacturing workers is higher than Ankara's average, the presence of FIRE workers is lower. The first two groups of neighbourhoods having almost one third of organised food retailers also have 16% of all FIRE workers. FIRE workers are accompanied with upper classes of trade (for the 1st group) and service sector (for the second group) workers. The lowest two neighbourhood group, receiving service from at most two organised food retailer is differentiated from other groups majorly through the workers in the manufacturing sector and then by the workers in the construction activity and lower classes of trade workers.

8.2.2.3. Occupation

	scient_tech	%	admin	%	manag	%	commers_sale	%	service	%	agri	%	production	%	OFR number	%
neighbourhood group 1	8953	4	2180	4	7391	4	4821	4	3901	3	206	2	8683	3	59	11
	25		6		20		13		11		1		24			
neighbourhood group 2	26480	12	7019	13	15551	8	9294	8	9514	6	336	4	17320	5	112	20
	31		8		18		11		11		0		20			
groups 1,2	35433	16	9199	18	22942	12	14115	11	13415	9	544	6	26003	8	171	31
neighbourhood group 3	31027	14	7819	15	23583	12	15777	13	15500	10	713	8	30444	9	125	23
	25		6		19		13		12		1		24			
groups 1,2, 3	66460	31	17018	33	46525	24	29892	24	28915	19	1257	15	56447	17	296	54
neighbourhood group 4	23685	11	5481	11	21430	11	13739	11	13486	9	961	11	30687	9	93	17
	22		5		20		13		12		1		28			
groups 1,2,3,4	90145	42	22499	43	67955	35	43631	35	42401	28	2218	26	87134	26	389	70
neighbourhood group 5	80501	37	18829	36	70151	36	42547	34	51245	34	3267	38	108929	33	164	30
	21		5		19		11		14		1		29			
groups 1,2,3,4,5	1700646	79	41328	79	138106	71	86178	70	93646	63	5485	64	196063	59	553	100
neighbourhood group 6	45294	21	10731	21	55619	29	37192	30	55965	37	3105	36	134898	41	0	0
	13		3		16		11		16		1		39			
grand total	**215940**	**100**	**52059**	**100**	**193725**	**100**	**123370**	**100**	**149611**	**100**	8590	100	**330961**	**100**	**553**	**100**
	20		**5**		**18**		**11**		**14**		1		**31**			

more than grand total %
same as grand total %
less than grand total %

Table 25: Analysis of the occupation classes according to neighbourhood groups

The occupation of people working in an economic sector can be different from the characteristic of the economic activity. The descriptions (upper and lower classes of trade and service activities) used to underline divisions within economic sectors can be concretised and verified through variations in occupation. According to statistics, first four groups of neighbourhoods share the same characteristic of having scientific and technical personnel, managerial workers and administrators at higher percentages than the Ankara averages. At the other end of the scale, the sixth and the fifth groups are characterised with the higher percentages of service and production occupations. Variations regarding the retail distribution are much more significant in relation to the distribution of scientific and technical

personnel. The range of variation is between -7% in the 6th group and +11% in the second group. Persons having production related occupations are only remarkably higher in the sixth group while for all other groups the percentages stay below Ankara's average. Service related occupations also show a significant concentration in the last group of neighbourhoods despite the lowest amount of organised food retailers. Considering other fields it is possible to say that neighbourhood groups differ statistically through relative percentages of administrators, managerial workers and commercial sale persons. But their variation from Ankara's averages stays so low as to make deductions of little meaning.

8.2.2.4. Status in the Job

	reg_casu_empl	%	employer	%	self_emp	%	unp_fam_wor	%	OFR number	%
neighbourhood group 1	33862	4	2964	6	4117	5	1076	5	59	11
	81		7		10		3			
neighbourhood group 2	71805	8	6298	12	5910	7	1453	6	112	20
	84		7		7		2			
groups 1,2	105667	12	9262	17	10027	12	2529	11	171	31
neighbourhood group 3	103777	12	8071	15	10308	12	2739	12	125	23
	83		6		8		2			
groups 1,2, 3	209444	23	17333	33	20335	24	5268	23	296	54
neighbourhood group 4	91455	10	5819	11	9613	12	2640	12	93	17
	83		5		9		2			
groups 1,2,3,4	300899	34	23152	44	29948	36	7908	35	389	70
neighbourhood group 5	311043	35	18411	35	27956	34	7739	34	164	30
	85		5		8		2			
groups 1,2,3,4,5	611942	69	41563	78	57904	70	15647	69	553	100
neighbourhood group 6	279829	31	11483	22	25140	30	7020	31	0	0
	87		4		8		2			
grand total	**891771**	**100**	**53046**	**100**	**83044**	**100**	**22667**	**100**	**553**	**100**
	85		**5**		**8**		**2**			

more than grand total %
same as grand total %
less than grand total %

Table 26: Analysis of the status in the job according to neighbourhood groups

Different from the economic activity that individuals perform and occupation they have, their status in the job reveals some points hidden under the broader description of activities. Despite this advantage one needs to be aware of the broader definition of the categories that only divide status in the job into four. First three groups of neighbourhoods differ from the rest in terms of their employer percentages which goes one to two per cent above Ankara's averages. In these neighbourhoods the proportion of regular or casual employees is also low. The reverse situation is visible in the 6th group of neighbourhoods which are the most disadvantaged group of neighbourhoods and which are characterised by the presence of employees. First group of neighbourhoods have two interesting features considering the status. Firstly, this group has the highest proportion of self-employed people which means individuals not being dependent on other persons or governmental institutions. These

persons are mostly independent entrepreneurs or professionals having enough capital to establish and manage their own business. Secondly, high percentage of unpaid family workers attracts attention when 1st group is considered. The presence of unpaid family workers which is normally a characteristic of rural labour force working in agricultural production can be interpreted in the case of Ankara as wives of concierges bringing service to the households in apartment blocks. These women can help their husbands to do the cleaning and service works of the apartments or work as a cleaner/baby sitter for households.

8.2.3. Retail Relationship with Physical Conditions:

8.2.3.1. Existence of Basic Amenities

	population_2008	%	WC_in	%	douche_in	%	kitch_in	%	pwat_in	%	outside_absc	%	OFR number	%
neighbourhood group 1	15413	4	37423	4	37520	4	37600	4	37559	4	487	1	59	11
			25		25		25		25		0			
neighbourhood group 2	251721	7	70269	8	70260	8	70371	7	70284	8	447	1	112	20
			25		25		25		25		0			
groups 1,2	402134	11	107692	12	107780	12	107971	12	107842	12	934	2	171	31
neighbourhood group 3	449651	12	107536	12	107781	12	108210	12	107993	12	1914	4	125	23
			25		25		25		25		0			
groups 1,2, 3	851785	23	215228	23	215561	23	216181	23	215835	23	2848	6	296	54
neighbourhood group 4	436106	12	93728	10	94247	10	94887	10	94507	10	3212	7	93	17
			25		25		25		25		1			
groups 1,2,3,4	1287891	35	308956	34	309808	34	311068	33	310342	33	6060	13	389	70
neighbourhood group 5	1366099	37	323185	35	325444	35	327879	35	326285	35	13138	28	164	30
			25		25		25		25		1			
groups 1,2,3,4,5	263990	71	632141	69	635252	68	638947	68	636627	68	19198	40	553	100
neighbourhood group 6	1066853	29	289388	31	295222	32	299904	32	297790	32	28285	60	0	0
			24		24		25		25		2			
grand total	**3720843**	**100**	921529	100	930474	100	938851	100	934417	100	**47483**	**100**	**553**	**100**
			24		25		25		25		**1**			

more than grand total %
same as grand total %
less than grand total %

Table 27: Analysis of the availability of basic apartment amenities according to neighbourhood groups

The General Census of Buildings for the year of 2000 provides various information that can be utilised for the determination of social and economic character of the neighbourhoods. However, some indicators that are thought to be useful at first sight are eliminated after preliminary statistical verifications. One of them is the building age. In conventional researches, the more recent the building is, it may indicate that its occupants are of higher echelons of the societies who are affording to live in newer flats. But in cities having much less newly developed land than already built up area, dynamics of housing market cannot overcome the locational conditions. In order not to sacrifice the advantageous locations they occupy, people in higher socio economic status prefer to live in older houses or apartment

blocks. Newly constructed buildings can only attract middle class people who can afford to live in new places and having much less to loose while leaving their old place of residence.

Another important indicator might be the utilisation of natural gas. The utilisation of natural gas for heating started after 1988 and spread gradually. Independent of preferences of individuals, initial stages of the natural gas provision was realised according to the will and plans of local and central governments. Although today, households have the right to choose their heating system, established pattern of natural gas usage do not reflect this freedom of choice that came only lately. As a result this variable is not utilised in this research.

For this research, the information about the availability of kitchen, bathroom, toilet and clean water system in the flats is analysed. As expected in one of the most developed cities in Turkey, the absences are very low. For this reason the unavailability of such amenities and their presence outside residential units are added to each other. At the end, it is observed that the existence of these basic amenities decrease when one moves from most advantaged neighbourhood groups to less advantaged ones when number or organised food retailers is considered. Furthermore, considering that Ankara's average is only 1% lacking facilities, any variation below or above is to be counted as important although proportions variations are very little. In İstanbul where neighbourhoods are very heterogeneous in terms of physical qualities this statistic may be considered less important. But for the case of Ankara, neighbourhoods are made from much more homogeneous physical units and, as can be seen from the table, not only the percentages but also absolute number of the low quality buildings increase considerably from higher groups to lower ones.

8.2.3.2. Average Land Prices

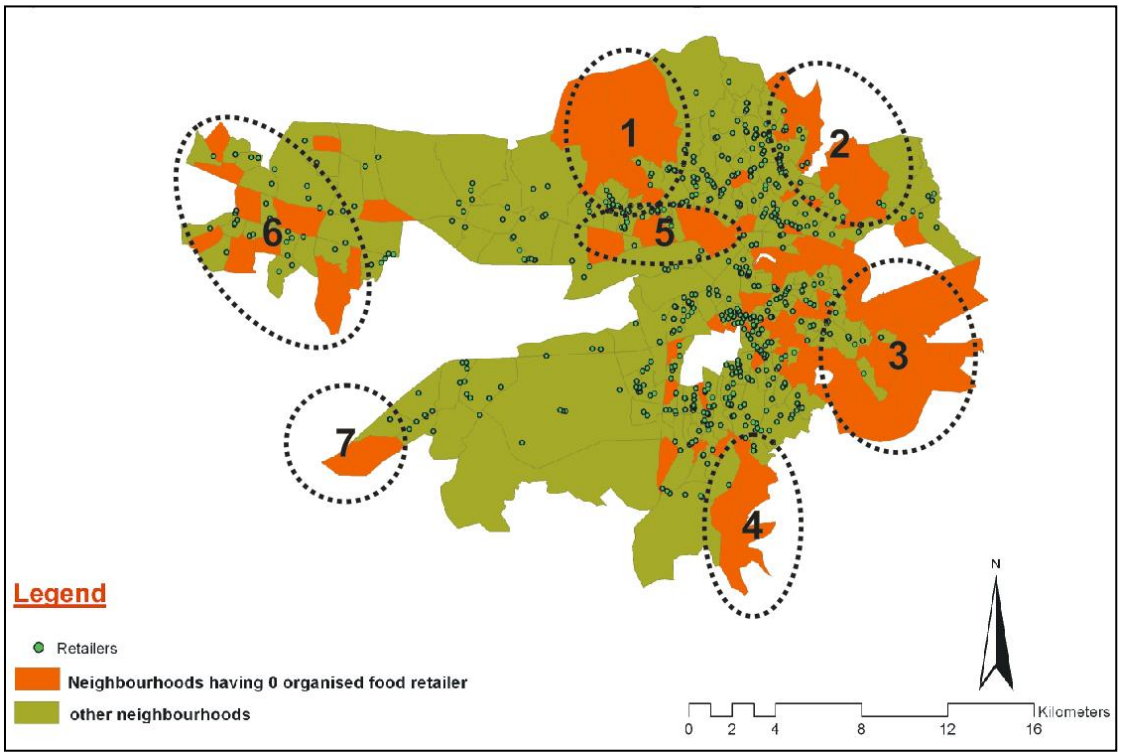
	average land price	retail number	%
neighbourhood group 1	177,7	59	11
neighbourhood group 2	434,7	112	20
neighbourhood group 3	245	125	23
neighbourhood group 4	251,7	93	17
neighbourhood group 5	223,8	164	30
neighbourhood group 6	145,8	0	0
average land price (Ankara, 326 neighbourhoods)	**211,6**		
per square meter, in Turkish Liras			

more than grand total %
same as grand total %
less than grand total %

Table 28: Analysis of the average land price variation according to neighbourhood groups

With reference to discussions realised at the construction of the theoretical framework the part devoted to formation and acquisition of rent played an important role. So the relationship between land prices, socio economic characteristics of the neighbourhoods and retail presence are thought to produce very interesting results. Only indicator that can be found at the city scale is average land prices obtained from Revenue Administration. When the relationships are investigated different from initial expectations it was not possible to find direct correlation between three indicators. Interestingly the most advantaged group has followed the least advantaged groups' average land prices and represent lowest averages than the one of Ankara. As observed from the analysis of other indicators, the second group having six to eight organised food retailers within their borders characterise those neighbourhoods having the highest average land prices two times more than Ankara's average. With little fluctuations the movement from upper to lower groups is resulting with decrease in average land prices. To finalise this part of the analysis one needs to underline the importance of much local and specific factors in the determination of land prices and locational preferences of both households and food retailers. To this end, this analysis can only provide a very global analysis. Much detailed investigation on the relationship between three indicators can be the subject of another research.

8.2.4. Spatial Characteristics of The Neighbourhood Groups



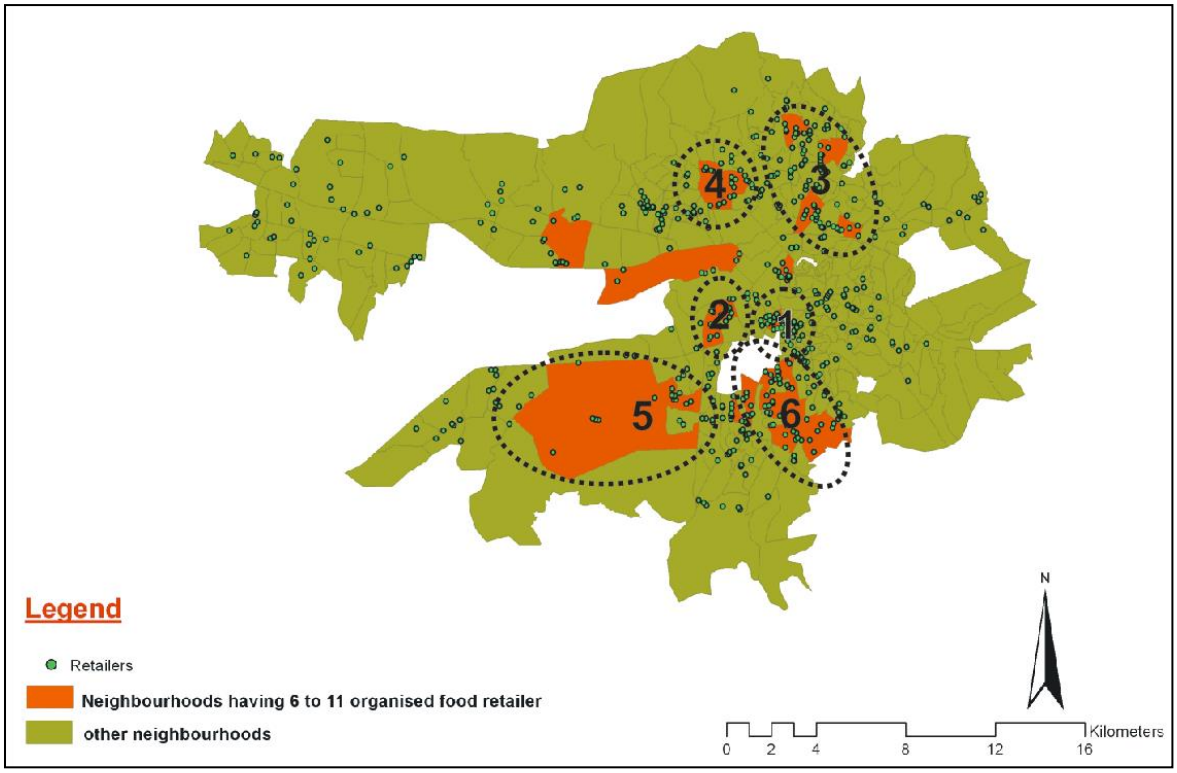
Map 12: Distribution of the neighbourhoods having 0 organised food retailers

The first group of neighbourhoods, having no organised food retailer within their boundaries is composed of neighbourhoods having quite similar spatial profiles. These are mostly those neighbourhoods located at the periphery of traditional Ankara and through corridors they penetrate just at the edge of the traditional city centres, Ulus and Kızılay. This development pattern is very typical and associated with the formation of 'gecekondus'.

This development starts at the edge of the legally developed lands where the control of local government is weak and suitable land for development is available. Then with the legal and political support 'gecekondu' areas penetrate into the city through main transportation arteries. Areas marked with 1, 2, 3 and 4[65] are the examples of this kind of development. Other than 'gecekondu' areas the area number 5 has a specific character. In addition to its residential population this area has some important uses which affect its character to a considerable degree. Industrial functions (İvedik Organised Industrial Zone) together with the largest cemetery of Ankara (Karşıyaka) are located in this area numbered 4. Area number 6 partially belongs to Sincan and partially belongs to the Etimesgut Municipalities. Despite that the area is developed on a legal basis, different from its surroundings, it is habited by people

[65] Neighbourhood names within the identified areas: 1(Solfasol, Karakum, Yeşiltepe, Güzelyurt, etc.), 2 (Küçük Kayaş, Araplar, Yukarı İmrahor, etc.) and 3 (Yukarı Dikmen, Aşağı Dikmen, etc.)

belong to lower socio economic profile. Area number 7 (Yaşamkent) has a different character than the rest as this is an upper class newly developing area. The only explanation that can be given to this part of land is that due to its novelty retailers have not taken position yet. But in the course of time, when this area is developed as areas nearby (like Çayyolu and Konutkent) it will not be surprise to observe good amount of retailers.



Map 13: Distribution of the neighbourhoods having 6 to 11 organised food retailers

The second group of neighbourhoods are considered to be the most advantageous group as they are having the highest number of retailers among the three groups. Instead of occupying large areas in the city, this third group is made up of 'retail niches' which show central characteristics either at the city or more local level. Neighbourhood group number 1 is located at the centre of the traditional city centres Kızılay and Ulus. Number 2 is a very important sub-centre, Emek-Bahçelievler. Those neighbourhoods grouped around number 3 are the very local centres (Etlik, Kavacık-Subayevleri) serving to their vicinity. Number 4 is also local centre (Öveçler) serving also neighbourhoods located at the south of this neighbourhood. Number 5 is a very large neighbourhood having both residential and university areas inside. İşçi Blokları neighbourhood, the small area located just east of the large universities area, is not only serving to the residential area surrounding it but also serving to the east part of the universities area where Middle East Technical University is located. Among all neighbourhood groups one illustrates a different spatial pattern than others. The group number 6 indicates upper and middle class neighbourhood areas of Ayrancı, Çankaya and Birlik neighbourhoods.

8.3. Geographically Weighted Regression

Geographically weighted regression analysis is considered to be a complex spatial analysis method which requires utilisation of different conventional methods to fully explore data in hand. In accordance to similar researches the path to geographically weighted regression can be divided into six steps. First step covers the transformation of socio economic information into a small number of composite socio economic indexes. The second step aims to provide an understanding of indexes. It includes the presentation of descriptive statistics and box-plot analysis. The relationship between socio economic indexes and number of organised food retailers starts to be explored in the third step with the utilisation of correlation matrixes and correlation coefficients. The fifth step covers the quantification of the relationship between indexes and retail presence. To reveal the global relationship among socio economic indexes and retail change, this step requires utilisation of conventional ordinary least squares (OLS) regression analysis. In the sixth step the spatial dimension enters into account first through the analysis of the spatial retail concentration. Then this spatial dimension is expanded with the utilisation of geographically weighted regression (GWR) technique which necessitates the inclusion of socio economic indexes and regression statistics into spatial analysis.

8.3.1. Descriptive Stage

8.3.1.1. Socio Economic Indexes and Retail / Neighbourhood Relationship

The research starts with the preparation of indexes. For the construction of indexes, socio economic indicators showing significant influence in the previous section and mentioned as important in the literature are taken into account. By doing this the importance of less significant indicators is eliminated. After determining the most significant indicators, normalisation process starts[66] with reference to group's minimum and maximum values. At the end, 11 indicators covering 65 information items are summarised in five indexes. **DEMOG** index is constructed with the combination of two significant indicators, the ratio of 1 person households and the ratio of households having more than six persons, are taken into consideration. For the formation of **EDUC** index three indicators are utilised. In addition to the ratio of high school graduates, the proportion of illiterate population and illiterate women ratio are brought together. **ECON** index is the most composite index among all. It includes information from position in the job market, status in the job, economic activity and

[66] Normalisation formula (N): N(value X) = (value X – column minimum) / (column maximum – column minimum)

occupation. The employed population ratio, the proportion of workers in the finance, insurance and real estate, the proportion of construction sector workers, the number of scientific and technical personnel over all occupation categories, the ratio of employees and ratio of employers over active population are utilised as key indicators for the construction of economic index. As explained above, a number of variables and indicators are eliminated before the construction of the building index **BLD**. At the end of various calculations considering all physical information, it is observed that the proportion of flats not having a kitchen, toilet, shower and flats having all these amenities outside the living unit is thought to be a good indicator that can be used to differentiate neighbourhoods. Finally the price index **P** is constructed on the basis of average land prices in the neighbourhoods.

Indicators	Information	Formulation	Index I	Index II
demography	population 2008 number of households having 1 person number of households having 2 persons number of households having 3 persons number of households having 4 persons number of households having 5 persons number of households having 6 persons number of households having 7 persons number of households having 8 persons number of households having 9 persons number of households having 10 persons number of households having 10+ persons	[N(1person hh/total hh) + (1-N(6+person hh)] / 2	HH Index	**DEMOG** = (HH Index + DEM Index) / 2
civil status	never married divorced vidow married	N(total unmaried pop./ active pop.)	Dem Index	
education	non school graduate primary school (old) grad. illeterate primary school (new) grad. middle school graduate high school graduate professsional school graduate graduated from schools equivalant to high schools higher education graduate	[N(high educ.pop./total educ.pop.) + (1-N(illeterate pop./total educ.pop.)] / 2	Edu Index	**EDUC** = (EDU Index + Willetr Index) / 2
illeterate women	illeterate women ratio	1 - N(illetr. women pop. / 15+age women pop.)	Willetr Index	
population not in the labour force	student housevife retired rentier people did not seek any channel to find job			**ECON** = (Labour Index + EA Index + Occup Index + Status Index) / 4
position in the job market	employed unemployed not in work	N(empl. pop. / active pop.)	Labour Index	
economic activity	manufaturing electricty gas and water services construction wholesale and retail trade transport and storage finance insurence and real estate services	[N(FIRE/total EA) + (1-N(constr/total EA)] / 2	EA Index	
occupation	scientific and technical personnel administrators managerial positions commercants and salesperson service workers agricultural workers workers in the manufacturing sector	N(sci&tech/total O)	Occup Index	
status	regular or casual employee employer self employed unpaid family worker	[N(employed/active pop.) + (1-N(unemployed/active pop.)] / 2	Status Index	
land prices	square meter average land prices	N(average land prices)	P Index	**P**
physical sonditrion of the building	toilet inside the dwelling toilet outside of the dwelling no toilet kitchen inside the dwelling kitchen outside of the dwelling no kitchen shower inside the dwelling shower outside of the dwelling no shower piped water system inside the dwelling piped water system outside of the dwelling no piped water system	N(total of outside or inexistant / total considered)	Physic Index	**BLD**

Table 29: Construction of GWR indexes and their contents

8.3.1.2. Descriptive Statistics and Box-Plot Analysis

In this step of the research descriptive statistics and box-plot analysis are presented for the initial exploration of the data. Similar to the construction of indexes, a simple data reduction method is utilised to group neighbourhoods. Neighbourhoods are grouped according to the organised food retailer number they include. This time, to clarify the results of the global regression analysis neighbourhoods are grouped into three again in accordance to the number of organised food retailer they have. First group is composed of 133 neighbourhoods having 0 organised food retailers within their borders. This group is assumed as the most deprived group of all. Second group is a group of 181 neighbourhoods having 1 to 5 food retailer inside. Neighbourhoods forming this second group are considered as 'normal' neighbourhoods having neither significantly less or significantly low number of food retailer. The third group represents the most advantageous neighbourhoods where the retail presence changes between 6 and 11. In this last group there exist 23 neighbourhoods. Different from previous analysis, to be able to reach much more definite answers and a neat conclusion the research focuses on the first and third group of neighbourhoods representing 'extreme' sides of the organised food retailer presence. These two retail groups' statistics are analysed on the basis of socio economic indexes.

Considering the descriptive statistics, when one moves from first group to the third, mean values of the indexes increase without exception. This can be seen as a sign of relative advantage of well off neighbourhoods as index numbers increase with the socio economic advantages. In the first group index ranges vary considerably. For example, while for the BLD index the range is 0.81; the range of EDUC index is 0.91. This shows how neighbourhoods within this first group differentiate among each other. With a lot of outliers and extreme values, the one and only low range index is the price (P) index which indicates average land values. P ranges from 0 to 0.55 but has a mean of 0.06. This illustrates how similar the neighbourhoods of the first group in terms of average land prices.

The third group is characterised with lowest ranges among index values and illustrates significantly higher mean values for all indexes when compared with other groups. With relatively low number of outliers and no extreme values, this group is considered as more monolithic than others which had much more outliers and extreme values. When general Ankara profile is considered, Education index EDUC which stays higher than other indexes reaches its peak in the third group with a mean of 0.78 and with a standard deviation of 0.14. Similar to other groups' profile, the price index P stays low with reference to other indexes (with mean: 0.18 and SD: 0.14). But different than others the range of P index varies between

0.03 and 0.53. Furthermore, the price index forms a much normally distributed quintile range. These features of the third group can be interpreted as showing that the group is composed of neighbourhoods having various average land prices and the variation of prices is not skewed to any side and evenly distributed among these neighbourhoods.

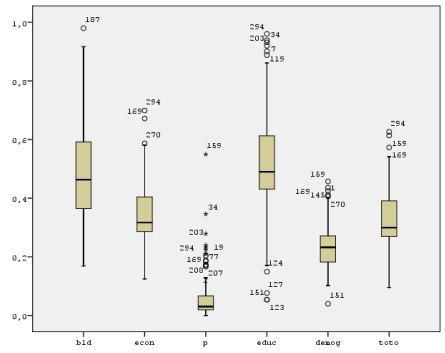
With the utilisation of socio economic indexes it becomes once more possible to trace how the distribution of organised food retailers is dependent on socio economic profiles of the neighbourhoods. At one extreme, advantageous neighbourhoods in socio economic terms are again proved to be advantaged when retail distribution is considered. On the other extreme, socio-economically disadvantaged neighbourhoods experience another level of disadvantage with the weak distribution of organised food retailers.

Descriptive Statistics

	N	Minimum	Maximum	Mean	Std. Deviation
bld	133	,168841	,979656	,49009816	,163335036
econ	133	,124555	,698828	,34855146	,097932041
p	133	,000000	,549583	,05910394	,075212988
educ	133	,053948	,960113	,51795526	,176472792
demog	133	,039904	,457153	,23514128	,070900566
toto	133	,095539	,626194	,33017005	,096037890
Valid N (listwise)	133				

1st group of neighbourhoods

(with 0 organised food retailer)

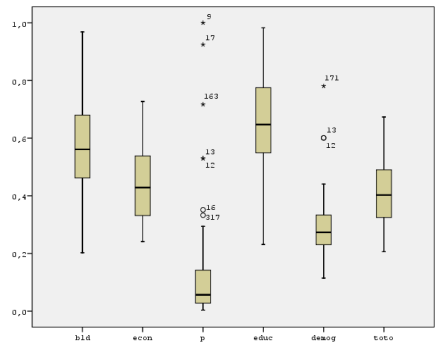


Descriptive Statistics

	N	Minimum	Maximum	Mean	Std. Deviation
bld	181	,202374	,968583	,56987903	,145260489
econ	181	,241494	,727177	,44680824	,122134825
p	181	,003423	1,000000	,10232606	,132998946
educ	181	,231216	,982719	,66996155	,152671051
demog	181	,114544	,780495	,28514704	,085275172
toto	181	,206220	,673364	,41482443	,098704078
Valid N (listwise)	181				

2nd group of neighbourhoods

(with 1 to 5 organised food retailers)



Descriptive Statistics

	N	Minimum	Maximum	Mean	Std. Deviation
bld	23	,396883	,838257	,64778374	,119157750
econ	23	,342383	,673336	,52576987	,089060378
p	23	,026633	,529784	,17826357	,137761393
educ	23	,607521	,947503	,78020383	,106056421
demog	23	,235076	,600853	,35042896	,079844812
toto	23	,382885	,583212	,49649000	,069433581
Valid N (listwise)	23				

3rd group of neighbourhoods

(with 6 to 11 organised food retailers)

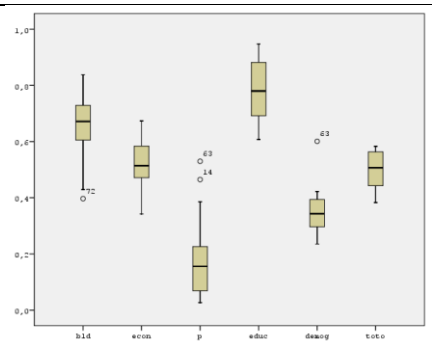


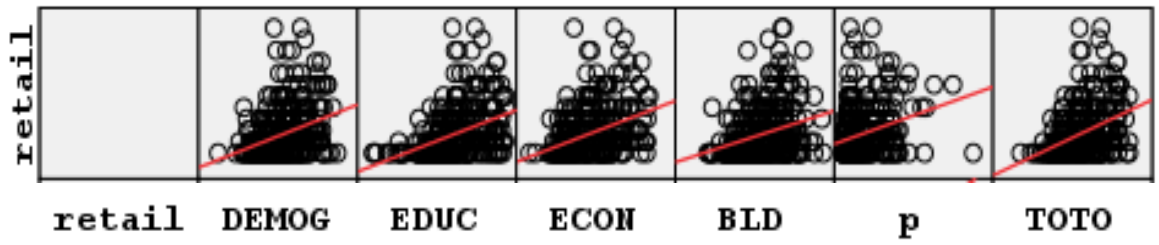
Table 30: Descriptive statistics and boxplot analysis for the neighbourhood groups arranged according to OFR numbers

8.3.1.3. Correlation Matrices and Correlation Coefficients

The third step towards GWR consists of statistical proof of the relationship between socio economic indexes and retail distribution. To this end correlation analysis is utilised. Correlation analysis is composed of two components: correlation matrices and correlation coefficients. In statistics, correlation analysis gives information about the sign and strength of the relationship between two variables. This information is supported with an indicator of significance (R square).

Correlation analysis starts with the construction of scatter plots which graphically illustrates the relationships between variables. Then, with the correlation matrices relationships are analysed quantitatively. Regarding the scatter plot distribution of different socio economic indexes with reference to retail numbers it is observed that all the indexes have positive correlation with the retail number. In other words it is possible to say that there exists a general tendency that the retail presence in neighbourhoods increases together with increases in those neighbourhoods' socio economic profiles. To be more concrete about the amount of increases and the relationship between retail number and socio economic characteristics, one needs to look at correlation coefficients[67]. For all the indexes the correlation analysis gives significant results. In the analysis it is seen that the coefficients change between 0.282 P (price) and 0.415 EDUC (education). According to correlation coefficients, the education index is seen to be the most influential index that contributes to any positive change in the retail number. On the other side of the index influence, the effect of P (average land price) in changes in the retail number stays very low. Among the most influential indexes, education is followed respectively by economic, demographic and building indexes.

[67] Pearson Correlation Indexes and scatter plots are calculated with the help of SPSS 15 Statistical Software. During the calculations 7 outliers are identified and excluded from the analysis to protect and reflect the general trend.



Correlations

		retail	DEMOG	EDUC	ECON	BLD	p	TOTO
retail	Pearson Correlation	1	,352**	,415**	,402**	,304**	,285**	,422**
	Sig. (2-tailed)		,000	,000	,000	,000	,000	,000
	N	335	335	335	335	335	335	335

**. Correlation is significant at the 0.01 level (2-tailed).

Table 31: Correlation matrixes and correlation coefficients (seven outliers excluded)

8.3.2. Regression Analysis

Traditional regression technique is utilised to determine relationship between two numerical variables. Different from correlation analysis which is principally concerned with the determination of the relationship between variables, regression technique is utilised to predict values of one variable with the help of the values of the other variable. This relationship is expressed with a formula representing the relationship between variables. In graphical terms, the regression graph differ from correlation graph as the points forming the regression line are not produced from the variables forming X and Y pairs of a point. Instead, regression lines are produced so that the distance between every value and the regression line stays at the minimum when squared and summed. While the scatter plot of (x , y) pairs resumes the distribution, the best-fit line is viewed as a descriptive summary of an approximate relationship between x and y values in the data set (Devore and Peck, 1986:441). As a result the conventional regression equation becomes:

$$Y = a + b X$$

where X is the explanatory variable and Y is the dependent variable

(linear regression equation)

With the utilisation of regression analysis it is intended that the relationships revealed through inspection of percentages are brought to a much more statistical and quantifiable level. With this, it becomes possible to distinguish variables according to their effect on the change in the retail geography. Furthermore, regression analysis enables the inclusion of all

neighbourhoods without any classification or grouping. Through this, the analysis includes each and every individual case's socio economic information and retail specification. Another important implication of the regression analysis is that in multiple modes it becomes possible to reveal the relationship of different variables (dependent variables) over one variable (independent variable).

$$Y= a + b_1 X_1 + b_2 X_2 + b_3 X_3 + \ldots$$

where X_i is the explanatory variable and Y is the dependent variable

(multiple regression equation)

The regression model creating the relationship between socio economic indexes and retail number has a significantly low R^2 and R values. R^2 is the overall measure of the strength of the association between dependent (retail number) and independent variables (socio economic indexes). The R^2 score of 0.18 indicates that the global regression model including all indexes is not a very powerful model explaining changes in the retail number at neighbourhoods in Ankara. Additionally, the R value 0.425 which signifies the correlation between dependent and independent variables stays also quite low as underlined in the correlation analysis. Because the intention here is not to use the regression model for predictive purposes the R and R^2 can be considered acceptable to identify the influence of each index on the retail number.

When one moves beyond global model, the regression model confirms that retail number in the neighbourhoods is positively related with the indexes reflecting socio economic status of the neighbourhoods. This means any positive increase in the indexes has an increasing effect on the retail number. Different from correlation coefficients the regression model explains the influence of each index in the number of food retailers. B coefficient of the model indicates that education (EDUC) has the highest influence on retail number while building characteristic (BLD) has the lowest influence. The EDUC coefficient 2.56 signifies that every unit increase in the EDUC index has a 2.57 increase in the number of retailers in any neighbourhood. For the case of BLD index, any single unit increase in BLD index causes 0.8 unit increase in retail number. The importance of education is followed by neighbourhoods' economic condition (ECON), average land prices (P) and demographic characteristics (DEMOG).

Although the OLS regression model reveals important relationships and helps to identify how much each index contributes to the changes in retail number, all indexes stay outside confidence intervals when their significance is considered. Together with low R and ^{R2} values,

the low level of significance can be the result of some factors. First of all, despite normalisation the value range of organised food retailers in any neighbourhood do only vary between 0 and 11 whereas indexes have much broader ranges depending on concerned populations living in neighbourhoods. As a result of the mismatch between the range of the dependent variable and independent variables the regression model may not be able accurately reflect the dependence between indexes and retail number. Secondly and maybe more importantly the change in the retail number can better be explained with an omitted variable which is not included in this research. Because the research intends to reveal the influence of some specific factors, namely socio-economic characteristics, despite the low level of significance the results of the regression analysis can still be considered as valuable within the limits of the specific purpose of this study.

Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	,425[a]	,181	,168	1,942481314

a. Predictors: (Constant), demog, bld, p, educ, econ

Coefficients[a]

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	-1,527	,448		-3,411	,001
	bld	,810	,909	,060	,892	,373
	econ	1,788	2,192	,104	,816	,415
	p	1,247	1,043	,069	1,196	,232
	educ	2,567	1,427	,218	1,799	,073
	demog	1,120	2,105	,045	,532	,595

a. Dependent Variable: retail

Table 32: Regression model summary and regression coefficients

8.3.3. Geographically Weighted Regression

According to Tobler's (1970) proposition, the first rule of the geography is "everything is related to everything else, but near things are more related than distant things". Following this "law", different from regression analysis, geographically weighted regression (GWR) gives special emphasis on space. In GWR variables are interrelated not only through causal relationships but also in accordance to their position in space. This technique can be seen as a spatialised version of the conventional regression analysis as GWR allows to the parameters of regression estimation to change locally. As summarised by Işık and Pınarcıoğlu (2006):

> "In contrast to ordinary least squares (OLS) regression method, which attempts to unravel the global (necessary) relations between a dependent variable and a set of independent variables, GWR takes into account the spatially changing (contingent) impacts of independent variables on the dependent one. It is indeed the context-dependent nature of social interactions that GWR attempts to take into account..."

Işık and Pınarcıoğlu claim that GWR technique is about to occupy a very important position within spatial econometrics, a position similar to what the OLS occupies within conventional statistical analysis (ibid: 12). The GWR technique was introduced first by Brunsdon, Fotheringham and Charlton in 1998. Since that time, the technique has been used in various disciplines like regional studies, environmental studies, transportation planning, political geography, real estate economics and demography studies (ibid).

The method that GWR uses is based on positioning observations into a coordinate system. To begin with, one of the observations is selected as the reference point and all other observations are weighted according to a decreasing function of distance from the reference. Calculations about the parameters of estimation for the reference point are repeated for all other observations and at the end a series of coefficients are obtained for all the observations. In other words, GWR calibrates the regression equation differently for each observation based on a unique weighting of all observations (Mennis and Jordan). The general equation for the GWR model becomes:

$$y_i = a_o(u_i, v_i) + \sum a_k(u_i, v_i)\, x_k + \varepsilon_i$$

where (u_i, v_i) stands for the coordinate location of observation/case i

Source: Brunsdon, Foteringham and Charlton 1996; Fotheringham, Brunston and Charlton 1998 and 2002

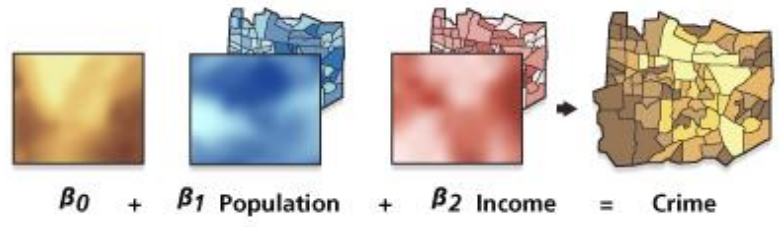


Figure 33: Illustration showing the construction of GWR spatial equation
(Source: ArcGIS 10 GWR explanation in software's 'help' section.)

An important decision point rises during the construction of the GWR model. It is about the determination of the "bandwidth" that controls the rate at which distance decay occurs from the reference observation. According to the bandwidth value observations take different weights and become able to reflect their specific position within a spatial matrix (Brunsdon et

al. 2002). Another important point to consider during the implementation of GWR models is the Akaike's Information Criterion (AIC). AIC is considered as a measure of model performance and is utilised to compare the performance of different GWR models. Although the AIC does not represent absolute measures it is useful for the selection of the 'best' model among many, having constructed with different parameters (ArcGIS10 desktop help).

When compared with the conventional regression analysis, the main advantage of GWR models is the "de-construction" of the global findings. In conventional data analysis, global regression models (like OLS regression analysis) produce outcomes out of global patterns. When used for the analysis of the spatial data, such models mask local variations and lead users to the production of misleading conclusions. Both the literature about food deserts and the one of disadvantaged consumers underline that on the foreground of globally positive urban pictures there exist local areas marked by social and economic disadvantage. The utilisation of GWR in this research, at one side can be seen as an acceptance of this assumption. On the other side, the selection of GWR is seen to be useful for the realisation of three important points that the research raises.

- It is expected from GWR analyses that the analysis will reveal the association between socioeconomic characteristics and retail presence is not constant everywhere. A heterogeneous pattern of socio economic profile and retail distribution then becomes visible along the city.
- In areas where the relationship between socioeconomic status and retail presence are correlated, GWR gives place based references about the sign and intensity of this relationship.
- Finally and more importantly GWR decomposes the socioeconomic status and identifies the extent that any index contributes to the presence of food retailers in different places.

There exist different softwares that make possible the application of GWR analysis to the spatial data. In this research the GWR Tool of ArcGIS10 software is utilised. With this selection, the coordinate system based on X and Y coordinates of the centroids of each polygon (neighbourhoods) and the GWR equation synchronised without any difficulty. Furthermore it becomes possible to map the output of the analysis without the utilisation of another software. After selecting the most adequate software the process goes on with experimenting different bandwidths to find a balance between AIC and R^2 values. In addition to statistical considerations, it is also intended that the bandwidth does not exceed the maximum walking distance of 800 meters for a convenient food shopping. At the end, the

GWR algorithm separately to all indexes produces the optimum bandwidth distance at 1000 meters where AIC varies between 1130 and 1466 and R^2 changes between 0,62 and 0,66. In addition to these global findings the software also produces local R^2s and local standard deviations (the difference between estimated Y values and observed Y values). With the mapping of these values it becomes possible to observe local variations, their intensity and significance.

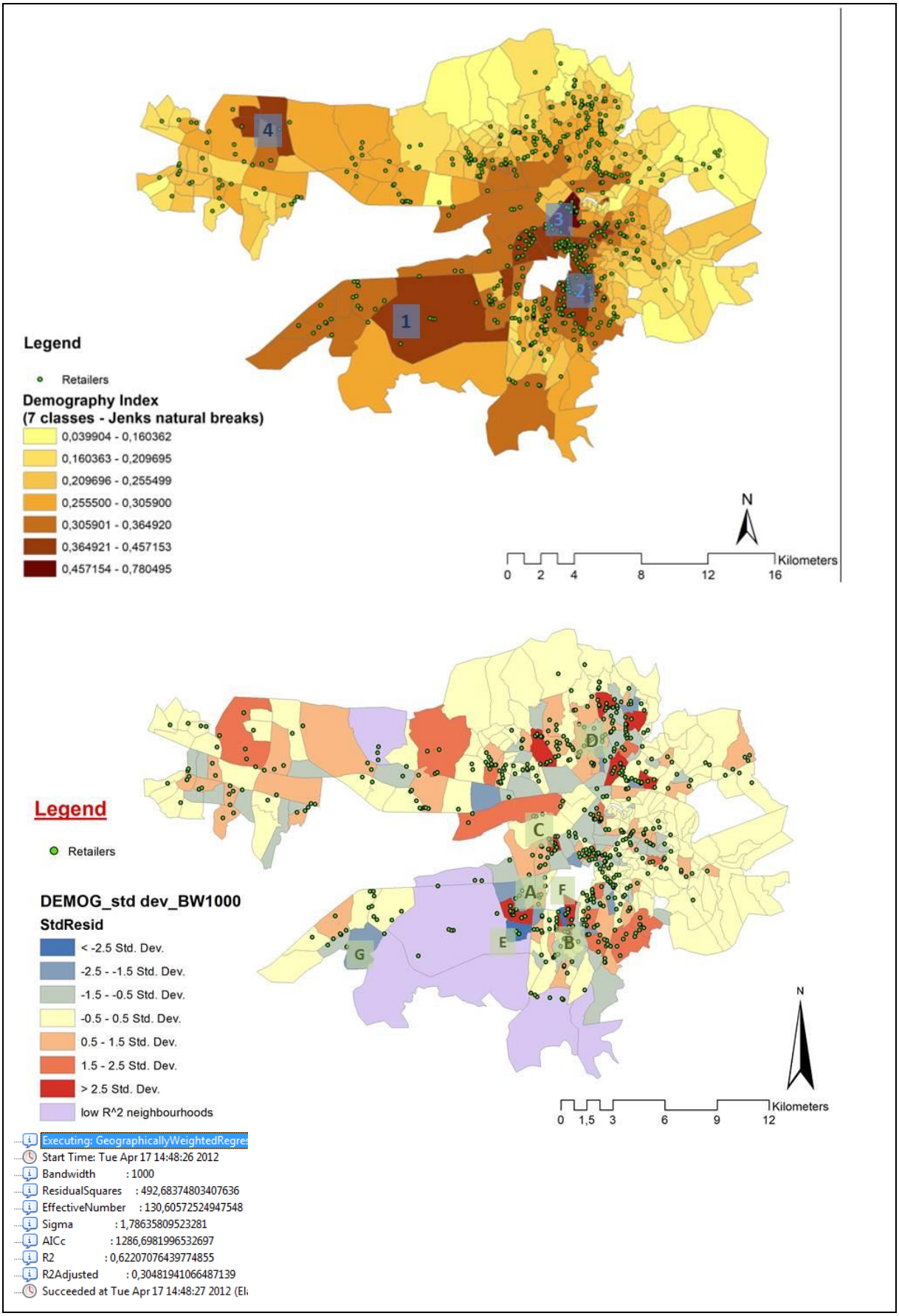
The outputs of the GWR model can be analysed in two dimensions: global and local. At the global level GWR models explain significantly more variance than OLS regression models. Regarding the R2 values different from statistically insignificant global R2 value (coming from OLS regression analysis), at 1000m bandwidth it is observed that some areas have significant R2s. This means that the relationship between organised food retailer number at some areas is in significant relation with the indexes whereas for some other this relationship is statistically insignificant as mentioned in the global OLS model. The analysis on the standard deviations between observed and expected retail values with respect to the power of considered index, reveals that there are also significant spatial variations among the neighbourhoods in Ankara. So it is not possible to assume that an index has an absolute positive influence on neighbourhoods in Ankara. Instead, with the help of GWR model, it is seen that the influence of indexes vary both in terms of direction and strength. In the following paragraphs those cases having significant R2 values and demonstrating important deviations (standard deviations more than 2,5 and less than 2,5) are taken into account for the analysis of the GWR model.

The author would like to indicate some final notices about the assessment of the GWR results. Constructed indexes illustrate only the positive socio-economic and physical conditions. Any high value of the considered index indicates to a presence of the positive characteristics related to index and illustrated with the tones of brown in the first maps. As the tone gets darker, the neighbourhood represents characteristics of the index better. On the other side, lower index values indicate to the low presence of the characteristics of the index and illustrated with the tones of yellow.

When the GWR analysis is performed the map obtains different colours as the analysis start to show how significant is the index in describing the retail presence. The GWR analysis reveals the direction and intensity of the relationship. The sign + or – indicates the direction of the relationship. When the relationship is positive the neighbourhood is coloured with the tones of red and one acknowledges that retail presence is directly proportional with the index. In other words retail presence increases or decreases with the increases and

decreases in the considered index. On the other side, when the relationship is expressed in negative values it means that the retail presence is inversely proportional with the considered index. Increases in the index value causes decreases in retail number, or decreasing index values cause increases on the retail numbers. Regarding the intensity, the range of the indicator (standard deviation) varies between 0 and 2,5 in absolute terms. When it is close to 2,5 it means the index is highly correlated with retail presence and when it approaches to 0 the power of correlation decreases.

8.3.3.1. Demography Index (DEMOG)



Map 14:GWR standard deviation and actual map of neighbourhoods' Demography Index (DEMOG)

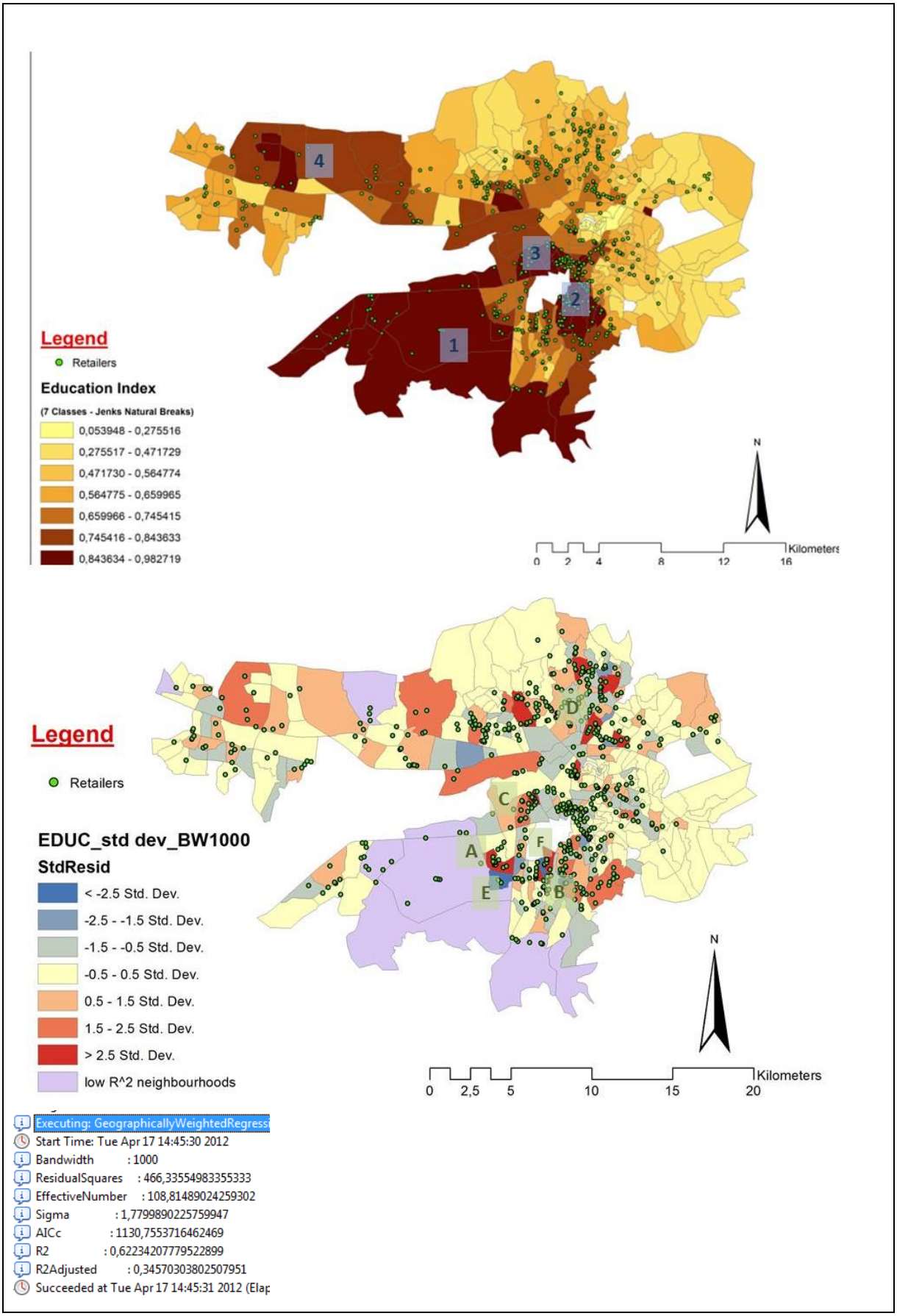
The demography index is differentiates neighbourhoods in terms of household size and civic status. Neighbourhoods characterised by single person households, those having 6 or more household members, and neighbourhoods having significant number of unmarried populations are differentiated. As expected, Üniversiteler neighbourhood (1) and traditional middle and upper class Çankaya and Birlik neighbourhoods corridor (2) has significantly high values in terms of demography index. Additionally well-educated, middle class neighbourhood of Eryaman at the North-West Ankara together with military personnel housing areas of Tunahan, Şehit Osman Avcı and Altay neighbourhoods (4) also marked with darker colours indicating high demography index. The highest value obtained at the central Ankara belongs to the Doğanbey neighbourhood (3) which is part of traditional city centre Ulus district.

The first think that GWR analysis reveals is that some neighbourhoods are excluded from the analysis due to their low local R^2 values. This means that in these neighbourhoods marked with purple colour, the relationship between food retail presence and physical index does not produce results having statistical significance.

In addition to this, GWR analysis reveals that for İşci Blokları neighbourhood (A), Öveçler area neighbourhoods (B), Bahçelievler neighbourhood (C) and for five red spots at the Northern part of Ankara (D)[68] the demography index is directly proportional with the retail presence. On the other side, for Karakusunlar, Çukurambar and Harbiye neighbourhoods (E) at the central-peripheral locations; and for Çayyolu neighbourhood (G) the retail presence goes in opposition with demography index. Regarding the intensity of the relationship, one needs to discuss GWR results with the descriptive map. Neighbourhoods A, B, C and D are directly and powerfully correlated with the Demographic index. Which means the OFR presence in these neighbourhoods is highly correlated with the high Demographic index of the same neighbourhoods. Neighbourhoods E, F and G show inversely proportional characteristics with the demography index. A quick look to the descriptive map reveals that these neighbourhoods suffer from lack of OFRs despite their high demographic index profile.

[68] Ayvalı, Pınarbaşı, Bağlarbaşı, Kavacık-Subayevleri neighbourhoods

8.3.3.2. Education Index (EDUC)



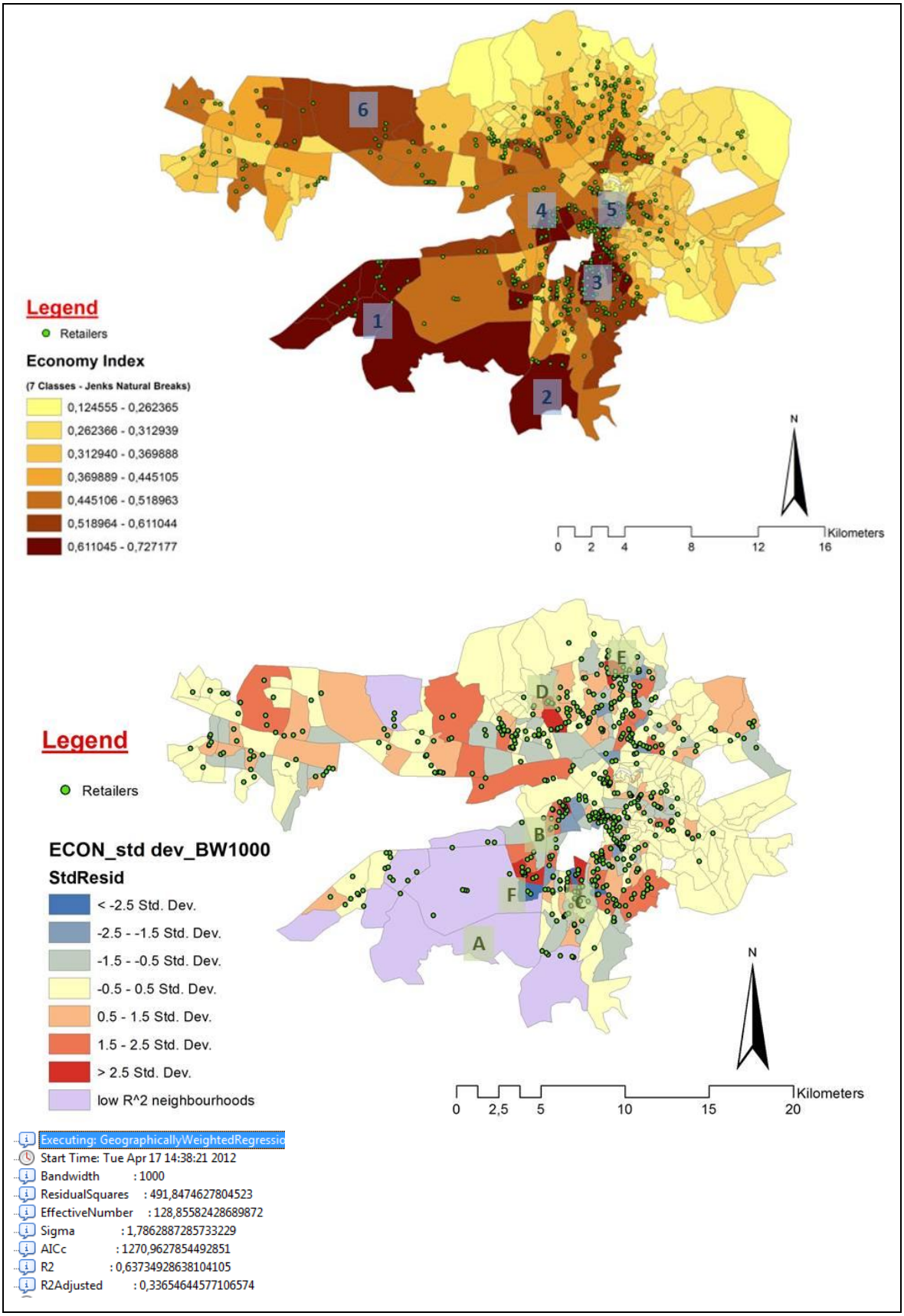
Map 15: GWR standard deviation and actual map of neighbourhoods' Education Index (EDUC)

Ankara being a city of universities and also some visible socio-economic disadvantages, the education index is well diversified within metropolitan borders. The index is composed of three indicators. In addition to the ratio of high school graduates, the proportion of illiterate population and illiterate women ratio are brought together.

The descriptive map shows that due to their lower socio-economic statuses, inhabitants of many neighbourhoods could not benefit from city's education opportunities. Generally advantageous locations like South-West Ankara (1), neighbourhoods at the Çankaya district (2), neighbourhoods around Bahçelievler and Emek neighbourhoods (3) together with military personnel residential areas at the North-West (4) illustrates significantly positive performance with regard to education index.

Similar to the GWR map of demography index, one more time, İşçi Blokları (A), Öveçler (B), Bahçelievler and Harbiye neighbourhoods (C); five neighbourhood spots from the northern Ankara (D) come forward when education index is considered. These neighbourhoods illustrate positive high correlation with retail presence. For A, B and C the high education index values go parallel with retail presence. D neighbourhoods, however, have relatively lower education index values and retail presences in these neighbourhoods are high. But, due to their geographical specificity (relative high education indexes with compare to surrounding neighbourhoods) the software counts them in direct proportion to the organised food retail number these neighbourhoods have. Karakusunlar (E) and Sokullu Mehmet Paşa (F) neighbourhoods are again seen as the cases that are inversely proportional with the education index. Despite high levels of the index in these neighbourhoods, retail presence stays low and the sign of the correlation becomes negative in these neighbourhoods.

8.3.3.3. Economy Index (ECON)



Map 16: GWR standard deviation and actual map of neighbourhoods' Economy Index (ECON)

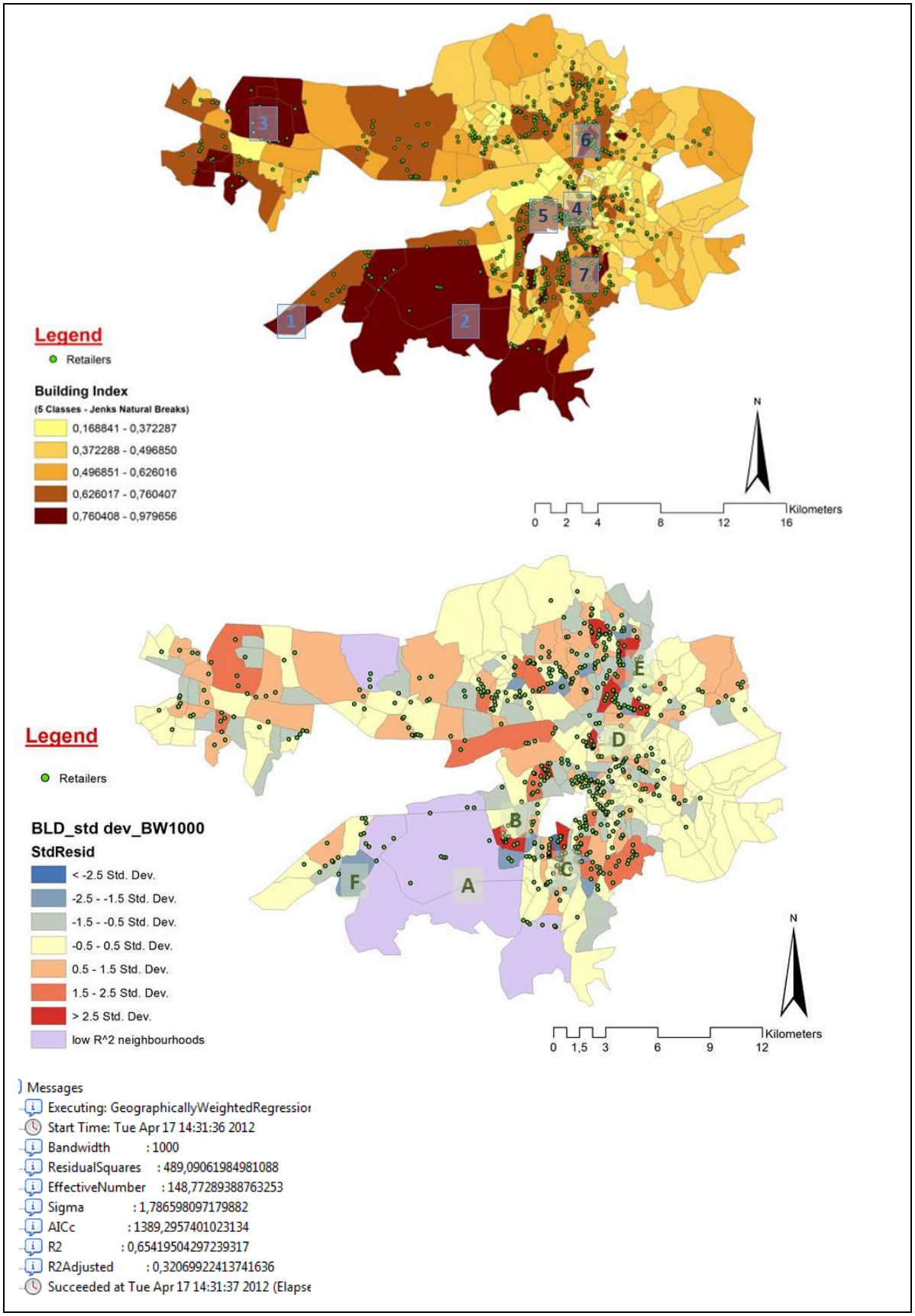
The economic profile is considered to be one of the most important criteria giving shape to retail geographies. The economy index is constructed so that it gives information about neighbourhood profiles with respect to positioning job market, status in the job, the economic activity and occupation. To this respect economy index becomes the most composite index among all. It includes information from position in the job market, status in the job, economic activity and occupation. The employed population ratio, the proportion of workers in the finance, insurance and real estate, the proportion of construction sector workers, the number of scientific and technical personnel over all occupation categories, the ratio of employees and ratio of employers over active population are utilised as key indicators for the construction of economic index.

With regard to descriptive map, one can identify that neighbourhoods having higher economic index are mostly those neighbourhoods located at the South and South-Western part of Ankara (1 and 2). Other high economic value neighbourhoods are located at central positions like Ayrancı, Esat (3), Bahçelievler (4) and Aydınlıkevler (South of 5), Subayevleri-Kavacık (North of 5). These neighbourhoods are followed by slightly lower economy indexed neighbourhoods at the Ostim Organised Industry area (6).

When GWR map of the relationship between organised food retailers and economy index is considered, it is possible to identify that some high index valued neighbourhoods (A)[69] are excluded from the analysis due to their low level of statistical significance. For their inclusion into the analysis other factors than economy need to be considered. On the side of significantly remarkable neighbourhoods some centrally located neighbourhoods Bahçelievler (North of B) and Yüzüncü Yıl (South of B); some neighbourhoods located at central-peripheral locations Öveçler (North of C) and Harbiye, Pınarbaşı neighbourhoods (East of C); and some others located at the northern districts of Ankara Ayvalı (D) and Pınarbaşı (E) neighbourhoods are considered to be the neighbourhoods that are in direct and strong correlation with OFR presence when economic index is considered. Regarding the descriptive map, apart from D and E neighbourhoods, the economic index is always law in considered neighbourhoods. For these two cases, neighbourhoods are differentiated in accordance with their differentiation from their proximity. Karakusunlar (F) and Sokullu (Near Öveçler (C)) neighbourhoods display difference from above mentioned neighbourhoods not in terms of the strength of the correlation but in terms of its sign. Both neighbourhoods have significantly less organised food retailer in their borders when their economic index values are considered.

[69] Kardelen, Yasamkent, Mustafa Kemal, Mutlukent, Çayyolu, Beytepe, Üniversitler and ORAN negihbourhoods.

8.3.3.4. Physical Index (BLD)



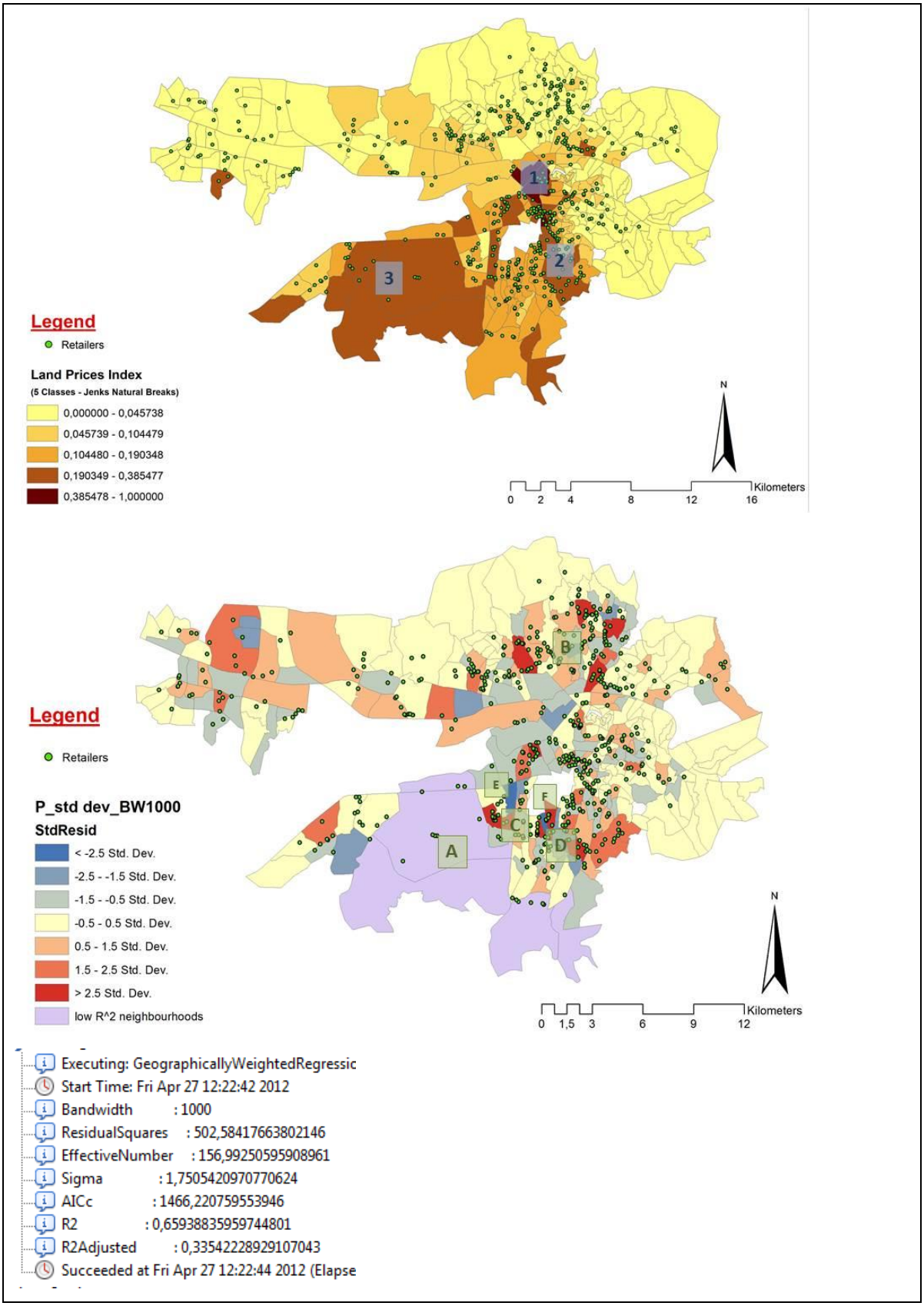
Map 17: GWR standard deviation and actual map of neighbourhoods' Physical Index (BLD)

As explained above, a number of variables and indicators are eliminated before the construction of the physical index. At the end of various calculations considering all physical information, it is observed that the proportion of flats not having a kitchen, toilet, shower and flats having all these amenities outside the living unit is thought to be a good indicator that can be used to differentiate neighbourhoods in terms of physical index.

The physical index values are strong in two types of areas. The first group consists of those neighbourhoods developed much recently than other areas. Çayyolu, Ümitköy and most recently Yaşamkent (1) on the western side, together with Beytepe and ORAN (2) at the southern side represent the highest index values regarding physical conditions. At North, also recently developed areas like Eryaman, Batıkent and Zırhlı Birlikler (3) represent the largest group of high physical index. In addition to those large neighbourhood groups, neighbourhoods around city centres Ulus and Kızılay(4) and around major commercial centres Emek, Bahçelievler (5) and Subayevleri (6) and a traditional high-middle incomes areas, Ayrancı an Çankaya (7) also have high physical index values.

When one looks to the map of GWR map the relationship of physical index and retail development a different geography appears. Neighbourhoods where physical index is in direct proportion with the organised food retail presence are some centrally located neighbourhood named İşçi Blokları (B), Öveçler (C), Hacı Bayram (D), Bağlarbaşı and Pınarbaşı (E) neighbourhoods. While B, C and D neighbourhood groups have both, high building indexes and high OFR presences, E neighbourhood group enjoys its relatively higher local economic index values which go parallel with retail presence. On the other hand, Çayyolu (F) and Karakusunlar neighbourhoods are representing powerfully opposing trend to the retail presence with respect to their economic index values. Despite their very high index values these neighbourhoods were unable to attract OFRs

8.3.3.5. Average Land Price Index (P)



Map 18: GWR standard deviation and actual map of neighbourhoods' Average Land Price Index (P)

Average land prices are thought to be an important element of food retail geography for two reasons. Land prices not only influence the geography of neighbourhood profiles but also effect the distribution of retail facilities. The (average land) price index is constructed on the basis of average land prices in the neighbourhoods.

The general picture about the variation of land prices in Ankara confirms the general knowledge. Land prices are higher in central locations (1) and decreases as the opposite function of distance. A much closer look reveals, one more time that the South-Western parts of Ankara differ from the rest, having the most developed average land price index. At the detailed level, the Çankaya – Birlik Negihbourhoods corridor (2), neighbourhoods around traditional city centres and newly developing areas around Beytepe and Üniversiteler neighbourhoods (3) merit special attention due to their high land price levels.

In the GWR map, one more time, university areas, neighbouring Mustafa Kemal and Beytepe neighbourhoods together with ORAN and Aşağı Dikmen neighbourhoods (A) are excluded from the analysis. With reference to the map one can observe that İşçi Blokları, Öveçler and Harbiye neighbourhoods (west of C); Bahçelievler neighbourhood at the centre (North of C); Ayvalı, Pınarbaşı, Bağlarbaşı, Kavacık-Subayevleri neighbourhoods at the North (B); and Yıldızevler and Aziziye neighbourhoods (D) in the Çankaya district are occupying significant poition with respect to their direct and positive correlation with the number of OFRs and average land price index. Despite low price indexes B neighbourhoods can be found in this list as a result of their significantly different index levels with regard to surrounding neighbourhoods. Other neighbourhoods forming the groups C and D are illustrating globally high land price index values.

Even though Kızılırmak neighbourhood (E) located at the intersection of Eskişehir and Konya intercity roads, and Sokullu neighbourhood (F) have both relatively higher land price indexes these two neighbourhoods could not escape from being identified with strong negative correlation with retail presence as none of these neighbourhoods have expected number of OFR within their borders.

8.4. Conclusions

On the theoretical side, the tight relationship between capitalist system, urbanisation process and retail production and their partial and collective contribution to the creation of inequalities are tried to be demonstrated with the discussions at the fourth and fifth chapters. With the discussion about the political economy of Turkey in chapter six and with more detailed

investigation on the case of Ankara in chapter seven and eight, these relationships are tried to be concretised more. In this deductive process developed from abstract/general to concrete/specific, another aim of this chapter appeared as the identification of local differences within the case of Ankara. To this end the research question was formulated as below.

Whether the production of organised food retail environments under capitalism produces (further) inequalities or not? with sub questions; q1: What is the current state of the organised food retail distribution in Ankara? q2: Whether the observed retail structure is effect by the socio-economic characteristics of the population?

The research hypothesised that the conditions of inequalities first produced in the field of production (through exploitation and distribution of wealth), gradually spread to urbanisation and urban activity patterns. Following the assumption, once the unjust (segregated and unequal) settlement pattern is generated, activity layer of retailing reinforces already established injustices through its locational preferences and practices. As a result inequalities produced at the work place are aggravated with the urbanisation process guided by market forces.

The critiques directed to the basics of the capitalist system targets the initial conditions of production where the inequalities and injustices are produced through exploitation of labour force. As previously illustrated throughout the studies about disadvantaged consumers and food deserts, and finally with the contribution of this research it is once more seen that the linkage between socio economic profile and exploitation at the workplace is traced on space. In addition to some other spatial motivations it is argued that the geographical pattern of retail distribution principally follows the socio economic structure of the city.

In this eighth chapter, it is demonstrated that the case of organised food retailers in Ankara substantiates these theoretical deductions through practical realities at various levels. The relationship through percentages revealed that advantageous neighbourhoods with respect to the presence of organised food retailers (OFR) were also advantageous on various indicators; being social, economic and physical.

Social indicators:

Considering raw **populations**, the first and second most advantaged groups in terms of retail presence that constitute a bit more than 10% of Ankara's population contained more than 30% of the OFRs while the most disadvantaged 6th group representing almost 70% of the population, were unable to attract any retailer within their borders. On the side of **household** characteristics, retailing wise advantageous neighbourhood groups were characterised by heavy presence of households having less than 4 persons with compare to Ankara's average which is 3,82 persons. Only for the least advantaged group, the presence of household having 5 or more members exceeded overall value of Ankara profile. According to **civic status**, in the most advantageous neighbourhoods the ratio of total unmarried population over 18 years old was significantly higher than Ankara's averages while the in the least advantaged neighbourhoods the ratio is much less than city averages. The final social indicator, **education** level, exposed the fact that neighbourhoods that were able to attract organised food retail facilities was also those neighbourhoods where the proportion of women illiteracy is low, and the ratio of middle and high school graduates are high with compare to Ankara's averages. As expected, the most disadvantaged neighbourhoods that could not receive any OFR also suffered from high women illiteracy ratio and low amounts of middle and high school graduates.

Economic indicators:

The first economic indicator considered in the research was about the **population out of labour force**. Interestingly those neighbourhoods enjoying the advantage of attracting organised food retailers the most were characterised by increased proportions of retired populations while the least advantageous neighbourhoods were identified with high presence of housewives. Considering the distribution of household's **economic activity** among neighbourhoods, it was seen that the least advantageous neighbourhoods were characterised with high presence of manufacturing and construction workers while the most advantageous ones significantly differs from Ankara's averages with respect to FIRE (finance, insurance and real estate) and service workers' ratios indicating high order white collar workers and wealthier tradesmen. **Occupation in job** statistics reveal that advantageous and disadvantageous neighbourhoods differed from each other with high presence of scientific and technical, administrative and managerial positions at the former side; and occurrence of service and production related positions on the latter side. The final economic indicator, **status in the job** provided further details about economic activity and status in the job. The analysis indicated that least advantageous neighbourhoods were characterised mainly by the high presence of regular or casual employees while the most

advantageous neighbourhoods were first identified with high proportions of employer status and then by self-employed ratio.

Physical indicator:
Considering the relatively homogeneous character of Ankara's housing stock, physical indicators related to **housing conditions** could only reveal significant differences when all negative aspects were combined and analysed together. Based on this analysis, with 2% of inadequate housing stock, least advantageous neighbourhoods were differentiated from the general profile of Ankara which indicates to 1% presence of inadequate housing in general. On the side of advantageous neighbourhoods statistics revealed that their housing completely meets the requirements of the modern life. Second and last indicator considered in this research was the **average land price** indicator. Despite high emphasis on land rents in the locational preference of retail facilities, neighbourhoods did not much differ regarding average land prices.

It is possible to conclude the analysis of the social, economic and physical conditions of neighbourhoods with some common occurrences. In almost all cases the most advantageous neighbourhood groups (1^{st}, 2^{nd}, 3^{rd} and 4^{th} groups) illustrate the most advantageous aspects of the considered indicators with respect to Ankara averages. The 5^{th} group composed of neighbourhoods having one or two organised food retailer within its borders generally displayed the characteristics of general Ankara profile. The 6^{th} group of neighbourhoods that do not contain any OFR always revealed a very low performance when averages of Ankara are considered. A final remark needs to be made on the 2^{nd} group of neighbourhoods. Contrary to the general assumption about the most advantageous social, economic and physical position of 1^{st} group, it is the 2^{nd} group which showed the most remarkable performances in positively diverging from city wide averages.

These indicators were further assessed with the geographically weighted regression analysis. This complicated technique of analysis, that worked on the basis of indexes that bring together 16 indicators derived from more than 65 information items providing details of the social, economic and physical condition of neighbourhoods. The analysis revealed that the utilised indexes were in statistically significant correlation with the presence of organised food retailers within neighbourhoods. In some cases that can be identified as "extreme" the correlation between index and presence reaches a peak both with negative and positive signs. Apart from these cases the generality of Ankara's neighbourhoods followed the trends of the indexes in direct proportion to index's meaning.

To finalise this section the author would like to discuss briefly the issues of disadvantaged consumers and food deserts on the basis of the findings of the research. Guy and David (2004:223) identify the features that characterise a 'food desert' and population that live in food deserts under five points:

- The residents will be physically disadvantaged in terms of mobility and accessibility
- They will also be economically disadvantaged, as they will generally be low-income earners
- This will mean that they will have poor nutrition/ diet, as they will generally eat cheaper, more filling foodstuffs than traditional meat/fruit/vegetables
- They will be geographically disadvantaged because of the lack of choice of food stores in their area
- Local stores will only supply limited selection of foods, at higher prices than do larger stores

The findings of the research indicate to four of the points (except the first one) mentioned above at various degrees. The research underlines the possibility to talk about the presence of disadvantaged consumers but says little about the existence of food deserts. Although we know that secondary subsistence mechanisms, like family support or aids from unofficial sources contribute to the survival of the households in most disadvantaged areas the research needs to be developed with special emphasis on local peoples' living conditions, consumption experiences and diets. It seems we are experiencing the situation of the developed world prior to 1990's as the problem of retail disadvantage is still sensed part of socio-economic inequality. Whereas today, in developed countries the problem of inequality became so serious that discussions on accessibility to food retailing is no more discussing on the grounds of injustice and inequality, but as public health problem (Guy: 2007: 199).

The geographical situation described above and its relations with socio-economic and physical aspects cannot be explained fully with the motivations of the organised food retail firms. What is assumed here is that under given conditions these firms try to find best locations for their activities to obtain maximum profits in return to their investments. If the socio-economic map of the city had been more homogeneous and egalitarian, this probably had affected the locational preference of retailers and contributed to the production of a different retail environment with more egalitarian characteristics. To this end the author would like to refer to a work that was presented in the literature review chapter. Dear and Flusty (1998) imagined an indifferent post-modern space in their "keno-capitalistic" political economy. But the idea was criticised by the author on the ground that the site selection of different uses would inevitably produce relative positions and "differentiate" the space. This

would lead to the formation of monopolies as Hotelling (1929) demonstrated in his ice-cream vendor situation which ends up with unjust outcomes and inequalities. To this end any attempt to correction this situation, like all justice based retail planning efforts need to a tackle with the situation of monopoly formation and production of unjust outcomes.

9. CONCLUSION

9.1. Introduction

The problem of increasing injustices and inequalities in daily life and the role of urbanisation process in the development of injustices lies at the heart of this research. The problem of injustices has long been a subject of inquiry in diverse research areas and the subject has become more significant starting from 1980's, since the implementation of neo-liberal policies. Neo-liberal policies, produced as a reflection to social and economic crises of 1970's, expanded our understanding of the world in two ways. At one side, with the emphasis on individual profit maximisation, elimination of all factors inhibiting the creation of free markets and thus on extending the limits of competition; neo-liberal policies reflect strong connections with the broader capitalist system. On the other side, the implementation of neo-liberal policies reveals how urbanisation process is indispensable for the continuation and spread of the capitalist system to all aspects of life with multiple negativities. Furthermore, in the thesis it is further argued that through the implementation of economic policies, neo-liberalism utilises urbanisation as a tool not only to transform social and physical structures in accordance with capitalistic principles but also to transmit inherent injustices and inequalities of the capitalist system into the practicalities of urban life (Brenner and Theodore, 2002; Brenner, 2002; Peck et al. 2012).

To illustrate this main proposition, the research focused on the case of retailing, which reflects characteristics of the capitalist system and urbanisation process at the same time. The literature review is realised on the basis of a search for a comprehensive research method that analyses capitalist system, urbanisation process and retail production mechanisms together in totality and develops a critical look to the issue of urban injustices and inequalities. Despite partial contributions, it was not possible to find an adequate research method that meets these criteria. Contributions and deficiencies of the concerned approaches can be summarised on the basis of four points;

- comprehensive but misleading analogical constructions (ecological or physical analogies) could not grasp the realities of the capitalist system,
- economic theories focusing on firm biased conceptualisations (theory of the firm) or focusing on equilibrium models (land gradient theory or central place theories) fail to understand real-life disequilibrium and crises situations including unjust occurrences,

- development of specialised approaches on the field of retailing and its components (cultural turn) could not position retailing and its parts into a comprehensive system, and
- critical approaches (i.e. researches on disadvantaged consumers and food deserts) could not move beyond descriptive stances

As a result, based on the deficiencies of the initial researches in the field, the author selected Marxist approach to conduct the research. But, availability of limited number of urban researches in Marxist literature (Engels, Lefebvre, Castells and Harvey can be mentioned as some prominent authors), and except the presence of one paper (Ducatel and Blomley, 1990) combining retailing with general Marxist economic approach ; there exists very little research that can be taken exemplar to this present research. To this end, the author both enjoyed the advantage of filling the gap mentioned above and presenting an exemplar research path for further studies and also suffered from lack of exemplar resources to develop the research.

With the utilisation of Marxist method, the research aims to answer some research questions that lead to test the hypothesises mentioned. In the next section, primarily, findings of the research are presented to answer the main research question. Secondly, within the deductive structure of the thesis, the answers to the research hypothesises are provided both on the basis of theoretical and empirical findings.

9.2. Empirical Findings

Theoretical investigations and contributions of other researches in the field revealed that capitalist system; with all its components being production, exchange and consumption; is highly dependent on spatial practices both during its normal functioning and during the times of the crises. For this respect urbanisation plays a very important role in the continuation and survival of the capitalist system. Urbanisation process covers investments in the built environment and these investments can take different shapes from housing to infrastructure, from green spaces to retailing. And the motivation behind urbanisation process is sourced by the capitalist system as most investments are realised to obtain rate of returns in definite time periods, as social concerns are mostly ignored and as urban land is characterised with exchange values rather than use values. The capitalist logic over urbanisation produces unequal housing opportunities (Engels, 1872), unjust infrastructure provisions (Saunders, 1979, Graham and Marvin, 2001), unevenly distributed green areas (Swyngedouw and Heynen, 2004), inadequate public services (Castells, 1972 and 1978) and unfair distribution

of retail opportunities (see literature review about disadvantaged consumers and food deserts in Chapter 2). This negative situation, no doubt, has been intensified during the neo-liberal era which utilises intensified capitalism as a solution to the problems of the capitalist system.

The main research question,
Whether the production of organised food retail environments under capitalism produces (further) inequalities or not?

is answered through the empirical study conducted on the case of Ankara and the answer provided major clues to test the hypothesises of the research.

The city's urbanisation dynamics and especially the relationship between socio-economic characteristics of the neighbourhoods and organised food retail distribution are analysed through various stages in the course of the empirical research. The findings revealed that modern types of food retailers, motivated by the capitalist logic of profit maximisation and functioning under intense competition, follow the pattern of advantageous sections of the society in terms of social, economic and physical assets. As opposed to this, the district level research findings revealed that traditional retailers (like convenience stores "bakkals" and street bazaars) that are mostly functioning on subsistence levels with moderate profit rates and not competitive in nature; are not following the selective locational pattern of organised food retailers. The assumption about homogeneous distribution of convenience stores in neighbourhoods is backed with the obtained information about street bazaars. Street bazaar numbers according to districts when normalised with population, illustrate that disadvantaged districts have significantly more bazaars than advantageous districts. Thus different from organised food retailers highly motivated by capitalistic imperative, traditional food retail formats guided under pre-capitalistic incentives are somehow compensating the inequalities created by the modern formats.

Although this could not be tested directly by the empirical study, based on these findings, it becomes relevant to hypothesise that no food deserts can be found in the case Ankara. The author argues that despite intensified pressure of capitalism over urbanisation process in Ankara, the conditions leading to the development of food deserts cannot be fully carried through as a result of the presence of traditional food retailers and the existence of some subsidiary support mechanisms (like family support, religious groups' poverty aids, etc.). But, findings reveal that the city of Ankara has a group of disadvantaged consumers that cannot benefit from modern retail types as much as some neighbourhoods benefit. The

disadvantaged group at one side, carries different socio-economic disadvantages (some having educational others having economic disadvantages) while on the other side can be identified at different parts of the city without a single geographical concentration.

9.3. Research hypothesises and their verification through the findings of the case study

H1: Capitalist system, urbanisation process and retail production processes are tightly linked to each other.

The findings of the case prove that urbanisation process (in Ankara) is part of the general capitalist political economy (neo-liberal political economics). And being a part of urbanisation process, retail production activities (production of organised food retailers) follow the general capitalistic trends that are transmitted by the broader urbanisation processes. Utilisation of space in the ordinary functioning of the capitalist system and during the moments of crisis demonstrates how urbanisation is employed within the capitalist system. Further to this, different parts of the urbanisation process (housing, infrastructure provision, privatised health and education services, and retailing) illustrate the basic capitalistic tendencies of profit maximisation and monopolisation. This brings us to the hypothesis dealing with the inequality dimension of capitalism.

H2: Capitalist system inherently produces inequalities.
H3: These inequalities are transmitted to urbanisation process which is the spatial implication of the capitalist system.

From the point of inequalities, theoretical findings about the inequality production capacity of capitalism are exemplified with the analysis of the implications of neo-liberal policies in Turkey. The neo-liberal era, not only contributed to the production of inequalities at the regional level (underdeveloped East vs. developed West) but also increased urban inequalities especially in developed cities where the implication of neo-liberal policies concentrate. Furthermore, income inequalities that can be mentioned as the major factor determining socio-economic and spatial inequalities are started to be sensed through consumption practices. Together with the increasing role of consumption in national political-economy, these differentiations accentuated with consumption activities that not only include differentiation of consumption patterns but also covers differential accessibility patterns to consumption spaces.

In conventional Marxist approach, the way capitalist system induces inequalities on urbanisation process is mainly based on the developments of land rents. The issue is discussed in detail in chapter four under the heading on “analysis of the capitalist system and retailing”. Empirical findings reveal that among different characteristics land rents (quantified as average land prices in neighbourhoods) do not occupy the most significant position in the determination of locational choices of organised food retailers. Neighbourhood characteristics, like education and economic status, are found to be much more representative to variations in OFR locational presence. In other words, despite its theoretical importance, OFRs do consider other factors prior to land rents in their locational choices. This can be the result of the combined effect of sectoral competition within organised food retailing, diversifying firm strategies and local profit extraction possibilities that overcome the cost of land rents.

Another point that needs to be mentioned again in the conclusion section of the research is the process of capital accumulation. Theoretical discussions about the issue is assumed to be concretised first as retail capital and then as profit seeking locational strategies of organised food retailing. While the former is discussed with the rising importance of retail capital within Turkish political economy, the latter is discussed with the study of the case. Despite these efforts, the author admits that both the discussion about land rents and circuits of capital need to be discussed with much further details in different researches.

H4: Neo-liberal era can be considered as the latest era that reflects the characteristics of capitalist political economy in different forms depending on case specific conditions
H5: Turkish case reflects a peculiar form of capitalism in the neo-liberal era and carries capitalism’s contradictions and crises within its development process.
H6: The city of Ankara can be considered as the concretisation ground of neo-liberal capitalistic practices in Turkey, carries capitalism’s contradictions and crises within its urbanisation process.

Neo-liberal policies were born out of the crisis situation of the capitalist system. The aim was to overcome the crisis situation of 1970’s with further liberalisation and with further expansion. The aim was to reach foreign markets as sources of raw material, human capital and further consumption. These policies, developed and implemented by developed countries are imposed on developing countries like Turkey and caused to major structural transformations that in return initiated the transformation of the neo-liberal system itself.

The implications of neo-liberal policies in Turkey at one side intensified the practice of general capitalistic tendencies with trade liberalisation, deregulation policies and supressed workers' rights (Boratav, 2009[2001]; Kepenek and Yentürk, 1994). But further to this the Turkish case illustrated some peculiarities. The formation of an authoritarian government, re-regulation policies, intensive re-centralisation efforts and more particularly the utilisation of religion as a tool in political economic system differentiate the Turkish case from other neo-liberal examples (Peck et al., 2009; Karaman, 2013). It is also possible to argue that with Turkish peculiarities, all positive outcomes of the neo-liberal policies are eliminated by case specific factors and make this new era much more unbearable for Turks than any other nations. As mentioned in the case of Ankara, but can be observed in many other Turkish cities, reactions against the system increase and the determination to a structural change accumulate day by day.

The case of Ankara, on the other hand, with its urbanisation dynamics can be considered as an implementation ground of the neo-liberal policies and an exemplar case illustrating their peculiar adoption to Turkish context. The relationship between central and local government, implication of a number of urban transformation processes, financial and legislative support from the government and identification of municipal priorities favouring definite sections of the society (policies favouring private car ownership, increased housing opportunities for middle and high income groups) illustrate the class position of the urban governors. As a result, socio-economic differences in the city widen and as illustrated from the case of organised food retailers, "private" functions located around the city become selective and exclusionary more than ever.

H7: Retail production process, being part of the urbanisation process, creates new forms of inequalities and accentuates already existing unequal situations.
H8: Production process of modern retail facilities in Ankara can be considered as a part of the neo-liberal urbanisation process in Turkey.
H9: Locational preferences and strategies of modern retailers (organised food retailing in particular) in Ankara are based on the capitalistic logic of profit maximisation and thus produce and accentuate inequalities at the urban level.

Retailing, from its very competitive nature and profit maximising main motivation is thought to reflect capitalistic motivations most clearly. The retail activity is important for capitalism as it enables the system to circulate and consume the produced commodities and provides material basis for production functions. With its specialisation in circulation, marketing and selling, retailing hastens the circulation of capital and thus accelerates the acquisition of

surplus values. On the side of consumers, with the increased importance of consumption activities in daily life, retailing becomes a necessity for social reproduction. Not only for the expression of differentiated consumption patterns and identification of different consumer identities; as happened in the case of food retailing, consumption of certain items becomes crucial for the continuity of daily life. In combination with the withdrawal of welfare state both from the national and local scenes, retailers became the sole agents responsible in providing necessary commodities.

Retailing, with its social and economic significances is also an important object of political sphere. Modernisation in retailing coincided with the implementation of neo-liberal policies and retailing became one of the implementation grounds of neo-liberal policies. The case of Turkey and more specifically the city of Ankara illustrate the situation. Deregulation and removal of barriers against the circulation of capital, commodities and labour, speed up the modernisation of retailing in Turkey. As a result, capital weak traditional retailers having organic bounds with the society eliminated in favour of powerful national and international retail firms started to function all around Anatolia but especially in largest cities of Turkey.

Ankara being the second largest city of Turkey experienced the change with its transformation of the retail sector. A close look to the city's changing food retail structure revealed that modern retail types have been increasing their market share and number since the beginning of 1990's and started to dominate the urban food retail structure. As identified in the empirical findings, this new pattern carries the characteristics of the neo-liberal political economy. Retail production process prioritises individual over social, profit maximisation over public benefit, and competition over cooperation. As a result the system not only followed the patterns of already produced social and economic inequalities but also heightened injustices with the selective locational practices.

Although the research did not focus on the social reactions against capitalism or its components, the author would like to take note of an interesting observation which is related to the question of injustices and retailing. Despite the results of the theoretical findings that not only confirm the unequal nature of the capitalist system but also the role of organised food retail production in the expansion and reproduction of such inequalities, it is hardly possible to find out any organised opposition. From time to time, especially at the moments of economic crises, some minor attempts can be observed. Representatives of different chambers (like Chamber of Grocers, Chamber of Butchers, etc.) give speeches and individual consumers brought their concerns to the court but these faint cries could not lead to the production of a widespread public reaction.

Different reasons can be mentioned about the absence of this critical social reaction but the author needs to underline that these lines will reflect some observations rather than explanations based on empirical findings.

On the material side, as mentioned previously through different occasions, the existence of traditional food retailers still meets the demand of disadvantaged consumers and reduces the possibility for them to feel the injustice they are in. at the most disadvantaged locations, and for the most deprived populations (discussed in detail in chapter six under the heading "Turkey's response to the neo-liberalism or neo-liberalism alla Turca") the Turkish government systematically provide material support either in the form of goods or in the form of money and suppresses the feeling of injustice especially in large cities like İstanbul and Ankara.

On the cultural side, different from western examples, in Turkey any organised social reaction against ongoing trends turned out to be bloody social conflicts and resulted in coups d'état (in 1960 and in 1980), which caused to the suspension of democracy in the country in addition to mourning of masses due to bloodshed. Because of this fact, Turkish people have a "cultural block" against social reactions that target broader systems governing them. This is the reason why Gezi Parkı movement was realised spontaneously and supported mostly by the young generation which did not experience any coup d'état.
As a part of cultural side, it is also possible to mention about the uncritical nature of the Turkish education system. At the high school level or at the university level, the education system produces uncritical minds that only know and embrace the established patterns of life. The situation is further accentuated with the idea of "fate" when education system is combined with the religious, conservative motives. Exceptions are also valid and increasing in number but unfortunately not on the critical side but mostly on the side of the capitalist logic of profit maximisation.

9.4. Theoretical Implications

Theoretical contributions of the research and its findings can be grouped into two: contributions to the Marxist approach and contributions to retail studies.

First of all, the research aimed the development of an analytical perspective within Marxist political economic approach. At the theoretical level, the thesis research combined the path of David Harvey on acknowledging the importance of capital accumulation processes in the

urbanisation system and its sub-systems (retailing), and Manuel Castells' early approach on the development of an analytical approach on the study of urban condition (as he realised in Monopolville, 1978). The research collectively utilised the outcomes of the capitalist political economy by focusing on the neo-liberal era.

At its final stage, the research realised its main contribution to the development of Marxist thought by bringing the abstract conceptual discussions into the empirical field (with spatial focus on Ankara, and with sectoral focus on organised food retailing) and into the field of quantitative statistics. By doing this, the author aimed to realise one of the basic premises of the Marxist thought, which is about the dialectical relationship between rhetoric and science; and between theory and practice.

To illustrate, during the research it is found out that one cannot talk about a monolithic capitalist class. Sometimes the interests of retail capitalists got into conflict with industrial capitalist, so as there exist conflicts between different retail capitalists. For instance, organised food retailers compete with traditional retail formats to gain shares in market shares to obtain control of advantageous locations. On the side of the contribution of the quantitative investigation, in contrast to general belief about the significant importance of ground rents in the locational choices of organised food retailers, the research revealed that in majority of the neighbourhoods of Ankara the level of education can be considered as the most determining indicator in locational choices of organised food retailers.

Secondly with all the effort mentioned above, the research aimed to contribute to the revival of Marxist urban studies. Decreasing importance of Marxism from the general research agenda caused to underutilisation of Marxist methodology for urban studies and led to the diversion of attention to secondary elements of the system (as happened in most of the retail studies) rather than its structural parts. To increase the applicability of the Marxist approach in various studies, despite the difficulty of finding exemplar researches, the author aimed to develop a practical research path that is as refined as possible from philosophical discussions and that can be updated with the empirical findings of different contexts.

Part of its theoretical contribution, the research aims to contribute to retail studies. Partial contributions of various approaches targeting urban retail systems are intended to melt into one comprehensive approach with a critical stance (Marxist approach). This framework, at one side, allow researcher to investigate the influences of global factors (like capitalist economic principles, international political economic contexts) over the retail production processes. On the other side provide the tools to combine these upper scale findings with

local peculiarities (national and local political economic contexts). From one perspective, the author argues that the findings of the conventional retail approaches (i.e. retail revolution, cultural turn or disadvantaged consumers) can became much more meaningful when positioned in such a comprehensive framework. From another perspective, such a comprehensive approach will enable the extraction of more information about urban retail systems and expand the intervention possibilities of policy makers.

9.5. Policy Implications

The research illustrated how the capitalist system, with all negative connotations, is penetrated into the daily life of individuals. As a result of this penetration we are all experiencing inequalities and injustices either directly or indirectly. In this context, the planning institution (in Turkey) works as a procedural activity legitimising the spatial wishes and desires of the dominant sections of the society and can merely intervene in response to negative externalities. This type of planning, also called 'procedural planning', 'case by case' planning or 'incremental' planning , or either as Pickvance (1982) describes "trend planning"; at best intervenes into negativities of daily life by chance or by specific individual efforts (of the judges calling expert analysis, "bilirkişilik" in Turkish). Contrary to established practices, the author of this thesis believes that planning institution can work against the negativities of the capitalist system, and can develop spatial policies and implications to correct problems occurred due to normal functioning of the system[70].

Considering the relationship of retailing with the capitalist system and with the urbanisation process the author would like to first underline the importance of developing comprehensive policies and then focuses on the policy suggestions based on peculiar local conditions. As defined well before policy suggestions, the questions on inequalities and injustices are taken as departure point for the construction of policy suggestions.

First of all, after defining inequalities and injustices as the point of departure, the author underlines the importance of setting the priorities of the retail planning policies to guide planning actions to follow the right path to reduce inequalities and injustices. Similar to the development of the concept of 'public benefit' which develops priority over individual gains; a

[70] Although the author followed a Marxist approach to conduct the research and fully benefited from the approach during the research process, at the end, decided to stay on the camp of intervention rather than waiting for a probable revolution that structurally change the capitalist system. The author still believes in the necessity of a revolutionary structural transformation for the establishment of a much egalitarian urban life. However, considering the negative situation of disadvantaged populations and the worsening of this condition day by day, the author thinks that planners cannot escape from the responsibility of intervening into the capitalist system and stand against it. It is under the influence of these thoughts that justice oriented retail policies are produced.

set of concepts need to be developed to guide justice oriented retail planning policies. In the British system, this way of approaching to the retail development process is called sequential approach and the approach aims to assess retail development decisions in accordance to certain criteria. In the British case, the sequential approach prioritises town centre sites first, edge of town centre sites second and then considers out-of-centre locations. Any retail development proposal is judged against its relative benefit and detriment to town centre either accepted or rejected accordingly (Guy, 2007:85). Although the British sequential approach based on "town centre first" policies constitutes a good departure point, the author defends the idea that the list of priorities needs to be extended if the inequalities and injustices are to be targeted seriously. Based on this research these concepts are identified to guide justice oriented retail planning policies.

First things first; meeting the needs: The concept of need is utilised to refer when something is necessary but lacking (Guy, 2007). With its emphasis on necessity, need is differentiated from demand which is frequently employed in conventional economics side by side to supply. Instead of utilising the concept of demand which has an economic response in the free market, a justice oriented retail planning approach needs to be based on the concept of need whose reciprocation is not always met by the market. As it refers to a necessity through the interventions of planning needs has to be met so that people possessing the needs can continue to survive. To this end, justice oriented retail planning differs from general retail planning principles this focuses on ensuring an efficient and effective patterns on retailing in a geographical era (ibid:136).

Accessibility is everything: If the market mechanism is based on demand and supply conditions and injustices are observed as a result of the mismatch between the two, than accessibility becomes a key factor of injustice. To optimise accessibility urban retail pattern needs to be hierarchically structured (as appeared in the works of Christaller, Lösch and Berry) and retailers need to be located on the basis of changing demand levels on particular products. Convenience good providers (like food retailers) has to be located within walking distance while sellers of the consumer durables can be located at more central positions. The need for antiques or jewelleries can be met at the city centre where demand for such products is maximised. To optimise the resource allocation in addition to coherence with other land uses, the retail pattern needs to be harmonised with different transportation modes. In this harmonisation, walking has to be prioritised as the most basic and costless transportation mode and needs to be followed by cycling. Although not very convenient for most consumption oriented trips, public transportation need to be encouraged as a third mode. It is only at the last choice that private car usage need to be thought for consumption

trips. In this view, retailers' presence at the neighbourhood level plays a key role as within the neighbourhood most purchases are realised either by foot or by cycling. Lastly on this issue, Maal et al. (2005:37) underline that this kind of travel arrangement would reduce trip distances, decreases number of trips and contributes to the establishment of more sustainable transportation patterns.

Celebrating the diversity: Defenders of the market principles defend the idea of diversity thinking that it increases competition between retailers, decreases prices, increases qualities and diversifies opportunities. But practice shows us that the perfect competition condition never happens. Competition between various retailers in the local market ends up with formation of monopolies (or duopolies), increasing prices and decreasing service qualities (see Koç et al., 2007 for Turkish case and Competition Commission 2000 for the British case.). Further to this, as the case of Ankara illustrated, the intensified competition leads to the disappearance of traditional retail formats which at one side cause to the disappearance of capital weak local job owners (convenient stores called "bakkals") and on the other side pushed local consumers in the hands of organised food retailers. To protect the small store owners which are considered the basis of local economies and to defend the rights of local consumers the retail diversity has to be maintained. And, the field of planning that can only performs spatial interventions need to be supported by other institutional and legal frameworks controlling retailers' shares in local economies, mergers and acquisitions among retailers, etc.

Continuous impact assessment: In addition to the sequential approach of the British retail planning experience, another tool 'the retail impact assessment' can be considered as a useful tool that can be utilised to control the social, economic (and environmental) effects of the proposed retail developments. According to BDP Planning (1992:3) there exist five important reasons in conducting retail impact assessment scheme;

- Understanding the effects of the change
- Control of the public costs
- Control of the efficiency argument (related to efficient use of land and allocation of resources)
- Control of the equity argument (related to degree of accessibility)
- Survey the quality of life argument

Based on these premises retail development proposals need to be evaluated on the basis of their merits to social and economic life. Developments has to contribute to the bettering of

local lives either through increasing the conditions of existing quality of lives (like decreasing the number and duration of shopping trips) or through providing services to disadvantaged consumers. Otherwise, developments may carry high risks of inefficiency in the use of limited resources both on the side of investors and consumers.

But one needs to acknowledge three important facts. Firstly, retailing is a very dynamic sector which is in constant transformation. Secondly, to control this dynamic sector, rigid blue-print plans can never work (Guy, 2007). Thirdly, plan making process is always open to mistakes. Under these circumstances the retail impact assessment needs to be a continuous process containing constant monitoring of changing social and economic relationships, their consequences and production of adequate planning policies addressing the problems.

The heart of the city; city centre: Despite contemporary changes, based on already established transportation networks and residential patterns, city centre keeps being the most accessible part of the city by majority of its inhabitants. In opposition to market principles prioritising the competition, city centre is formed out of cooperation and coherence of uses. Centres, through their central positions optimise time, energy and resource utilisations and play key roles in the sustainable future of the cities. Recent developments in retailing; retail modernisation, diversification and decentralisation with changing accessibility patterns caused to the decline of traditional city centres in most of the western cities. This led to the development of "town centres first" kind of policies and town centre renewal programs in the cities of UK[71] and USA. In sum, before it becomes too late, policies aiming to the protection of the vitality and diversity of town centres need to be developed.

Importance of local information: The empirical research on the case of Ankara illustrated that the nature and intensity of inequalities differs within the study area. Similar to the spatial diversification of socio-economic conditions, presence of organised food retailers in neighbourhoods varies as well. Disadvantaged neighbourhoods can be found at the North, South, East and West peripheral parts of the city (at the edges of Mamak, Altındağ and Yenimahalle districts), as well as at positions close to city centre or in newly developed areas (like Etimesgut). Furthermore, socio-economic correlation studies illustrated that the reasons of inequality vary from one group of neighbourhood to another group. In some cases,

[71] Retreat from "town centre first" policies, another contradictory change in neo-liberal policies? Greater flexibilities for change of use - Consultation Report, Department for Communities and Local Government, retrieved August 2013 from: https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/226632/Greater_flexibilities_for_change_of_use.pdf

education differences are highlighted while in some other cases economic conditions like position in the job or occupation class emphasised.

Another important local factor demonstrates a relative but unfelt disadvantage at newly developed and socio-economically advantageous areas (Çayyolu, Ümitköy and Yaşamkent). In these areas, while Yaşamkent does not have any organised food retailer within its borders other two have much less organised food retailer with compare to their socio-economic advantage. Furthermore, organised food retailers in these areas are both very large retailers and concentrated around specific locations (as demonstrated on the case of Hotelling's ice-cream vendor situation). The situation makes households living in this area dependent on private car usage, increases their shopping trip distances and number of shopping trips. But, because most of the households living in these areas have developed material resources, they cannot really feel the disadvantage they are living in. Despite this unfelt disadvantaged situation, for the protection of public benefit and efficient utilisation of limited resources planners also need to intervene into this situation to correct market based locational deficiencies and to reduce the need for car travel.

Furthermore, neighbourhoods that suffer from both socio-economic disadvantage and retail provision may not really aware of the disadvantage they are in due to traditional food bazaars or secondary food provisions (like relatives' or friends' supports, official governmental aids from municipalities or unofficial helps from religious organisation). But, one more time planners have to intervene into this negative situation temporarily remedied by secondary interventions. Planners have to develop systematic solutions to the problems and aim to establish the necessary conditions of a sustainable social and economic life for the least disadvantageous sections of the population[72].

For the development of adequate systematic solutions planners need to be well equipped from above to detect mechanism of broader market forces, their consequences and theoretical solutions and from the ground to grasp that is needed from localities and what peculiar conditions need to be addressed in the way of reaching to a just urban retail pattern.

9.6. Recommendations for Further Researches

[72] The author believes that to realise these aims one neither needs to wait for the revolution nor for the reestablishment of the welfare state. In an environment of capital circulation there must be enough profit to create connections between market mechanisms and social needs.

As briefly mentioned in the upper paragraphs, the research both enjoyed the advantage of being the most up-to-date and almost unique version of Marxist urban studies focusing on urbanisation processes and retail development practices in a developing country. But also, the research suffered as a result of the lack of exemplar researches that both guide the author and structure the thesis. Under these circumstances and based on time and resource limitations, from the beginning to the end of the research the author had to make selections about including and emphasising some aspects and ignore some others despite their high importance and relevance to the research. To this end, with the recommendations on further studies the author would like to provide a research path that will contribute and complement to the path initiated with this thesis research.

It was always mentioned that the retail activity is very dynamic and develops so fast that the importance of traditional retail formats soon decrease both in terms of number and market share. Apart from secondary data sources from private company reports the author could not demonstrate the dynamism of the retail sector and the trend it followed from 1990's, from the early days of its modernisation in Turkey. The author believes that the lack of historical information on this issue can be compensated with further researches following similar methodologies and testing historical assumptions of the present thesis in the future. Even today in 2013, the organised food retail structure in Ankara is different from the picture depicted in 2007. It is very interesting and promising to conduct similar research now to see how the retail and socio-economic patterns have changed and how inequalities have evolved.

The present research produced assumptions on the behaviours of individual actors like capitalistic motivations of modern retail types, pre-capitalistic impetuses of traditional retailers, capitalist class bias of local and central state organisations, etc. these assumptions were based on informal and undocumented interviews with the firm representatives and convenience store owners; on personal central and local government experiences and connections; and on secondary data resources performed empirical studies on different actors' role in the Turkish context. Further researches can be performed by focusing on identification of these roles through structured surveys and interviews. This new dimension not only contributes to our further understanding of actors' role in the capitalist system, urbanisation processes and retail production but also provides further insights about the peculiarities of the Turkish case which differs from other cases mainly with respect to differences of actors involved in the processes.

Based again on expansion of knowledge about the actors, a particular emphasis may be given to inhabitants' specific local conditions. Although neighbourhood scale geographically weighted regression analysis enabled the author to pass beyond the global descriptions the coarse nature of the GWR analysis need further detailing. To this end, to reveal what really exists at the local scale some inductive methods can be performed on the basis of qualitative research techniques. This not only provides descriptive information about local conditions but also expands our knowledge about felt disadvantages, social construction of needs and secondary provision mechanisms.

Finally, in the course of research the author tried to depict the peculiar role of the state in the functioning of the capitalist system, in the urbanisation process and in the creation of retail environments. The research on the state tried to be enriched by different authors' views and case specific conditions reflecting Turkish characteristics. To obtain further and more accurate information about the relationship of the state (both at the local and national levels) with urbanisation and retail production processes, the author suggests the development of policy analysis that specifically focuses on production of legislative documents that concretise state's vision on particular issues. To this end, historical analysis of the legislative hierarchy (constitutional changes, changes in laws, regulations and bylaws), its connections with particular historical moments and its influences on particular economic sectors (like retailing) or social fractions (disadvantaged consumers) can provide a very productive research area that could not be considered in this research.

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